

**THE INFLUENCE OF MIGRATION, SETTLEMENT,
CULTURAL AND BUSINESS FACTORS ON
IMMIGRANT ENTREPRENEURSHIP
IN NEW ZEALAND**

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During the eighteen month period of data collection on immigrant entrepreneurs, this researcher went from city centre to provincial town and the length and breath of New Zealand, either by aeroplane or car, and travelled a large number of kilometres. On one trip to interview an immigrant entrepreneur in Oamaru this researcher remembers distinctly driving on the long straight section of the Main South Road that precedes and then extends into Oamaru. On reaching the town's outskirts, the abundance of business activity was striking, with the numerous small and medium sized businesses (SMEs) flanking both sides of the road into Oamaru, and this researcher thought to himself 'this is the heart of New Zealand's economic infrastructure.' Whether it is a small town such as Oamaru or Bulls or a main centre such as Auckland or Christchurch, the SMEs that pervade these cities and towns are the engine-room of our economy and the small business entrepreneurs are the drivers. These are not high profile entrepreneurs whose exploits adorn the business magazines or register on New Zealand's rich list. They are not the entrepreneurs involved with billion dollar deals, racing fast cars, or whose philanthropy or notoriety gain regular national media attention. These are the entrepreneurs of differing cultural, business and personal histories, who have supported their families, employed local people, and engaged with their communities on a day-to-day basis. They may not make the cover of business magazines or attain national adulation, yet as a collective they are very much the heart and sole of their community's business infrastructure, and are an instrumental cog in the effective functioning of New Zealand society. Therefore, this thesis was inspired by the tens of thousands of unsung heroes who through their efforts and risk taking drive the engine-room of the New Zealand economy. Although this study investigated immigrant entrepreneurship it pays homage to all SME entrepreneurs in New Zealand and the contributions they make.

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ABSTRACT

The ability and desire to be entrepreneurial is evident among members of all ethnic immigrant groups throughout the world. The challenge for receiving countries is to determine how government, ethnic, and business agencies can promote and support their immigrants' entrepreneurial behaviour. The difficulty in answering this question lies in the road being travelled differently by immigrants from dissimilar backgrounds, value systems, and cultural heritages. Migration, settlement, cultural and business issues present themselves in a multitude of different forms, depending on a complex and dynamic combination of the ethnic characteristics of the specific ethnic immigrant group and the receiving country's socio-economic infrastructure.

In an attempt to bring new understanding to the phenomenon of immigrant entrepreneurship, this study used grounded theory to develop a model that explains the multi-dimensional nature of the immigrant entrepreneurship process, by undertaking 77 interviews with 42 immigrant entrepreneurs from the communities of the Chinese, Dutch, Indian and Pacific Peoples. This study explains the model's development, its framework and application, and how it sheds light on the complexities of the immigrant entrepreneurship phenomenon within different ethnic groups. Specifically, case study analysis was undertaken of immigrant entrepreneurship in New Zealand, as portrayed through the actions and perspectives of the four ethnic groups under study: the immigrant entrepreneurs from the communities of the Chinese, Dutch, Indian and Pacific Peoples. This study highlighted inter-group and intra-group differences as impacting on entrepreneurial behaviour with respect to their migration timeframe, integration, independence, faith, identity, comparative advantage, ethnic social capital, community infrastructure, learning, and confidence.

GLOSSARY

CAQDAS: Computer added qualitative data analysis software.

Data strands. The linking of data from the fundamental construct through its concepts, categories, sub-categories and finally to the properties which hold the blocks of coded interview.

Entrepreneurial adaptation matrix: This matrix considers the *Interpersonal* or *Structural* factors (vertical axis) that impact on entrepreneurial behaviour in relation to the entrepreneurs' *Engagement* or *Perceptual* patterns (horizontal axis). These relationships are abbreviated as follows:

St-Eng	Structural/Engagement relationship
St-Per	Structural/Perceptual relationship
Ip-Eng	Interpersonal/Engagement relationship
Ip-Per	Interpersonal/ Perceptual relationship

FTE: Full time equivalent (employees).

Immigrant entrepreneur: (IEr) a person who engages in immigrant entrepreneurship.

Immigrant entrepreneurship: (IEp) immigrants or their immediate offspring, who have a specific ethnic identity, and who create work place settings for themselves and others, within their receiving country.

SME: Small and medium sized enterprise.

Ethnic social capital: The immigrant entrepreneurs' networks within their ethnic interpersonal relationships.

CHAPTER ONE

INTRODUCTION TO THE STUDY OF IMMIGRANT ENTREPRENEURSHIP

Traditionally New Zealand has been a popular destination for migrants, many of whom displayed entrepreneurial characteristics in establishing themselves and their families in a new home. According to legend and genealogy, New Zealand was first settled by Maori in the 12th Century, followed by a great migration from the legendary homeland ‘Hawaiki’ in the 14th Century (McLauchlan, 1992). They established communities, cottage industries, and rudimentary trading infrastructure as the indigenous people of Aotearoa¹. The first recorded European contact was by the Dutch explorer Abel Tasman in 1642, and although initially calling the country Staten Land it was changed to New Zealand within a year.² Not until the voyage of the English explorer James Cook, however, was New Zealand fully explored and claimed for Great Britain (1770). Under colonial rule, the first European business activities were that of the whalers who arrived in 1791, closely followed by sealers, who exploited the fishing resources off the New Zealand shores. The first unsuccessful attempt at European colonisation occurred in 1825, with the first successful settlers arriving in 1840. These were predominantly British, establishing colonial rule, British business practices, and English as the main language of New Zealand. Over the ensuing 150 years, immigration has had a major impact on the size, growth rate, and demographic and ethnic composition of the country’s population (New Zealand Year Book, 1998), and has been responsible for a proliferation of ethnic based businesses and international trade connections. An abolition of preference for ‘traditional source countries’ (i.e. Britain, Western Europe and North America) did not occur until 1986, although the regulation change only reflected the reality of the times, that New Zealand was already attracting a far wider range of immigrants and subsequently a broader ethnic immigrant entrepreneurship base. Presently those people wishing to apply to migrate permanently to New Zealand must enter through one of three residency criteria: skilled/business, family sponsored, or international/humanitarian. Over the decade 1994-2003 more than half the number of immigrants arrived via the skilled/business criteria (Dunstan, Boyd & Crichton, 2004). The 2001 census identified that 19.5 percent of all New Zealand residents were born

¹ Aotearoa was the name given to New Zealand by the indigenous Maori.

² Staten Land was re-named after the province of Zeeland in the Netherlands (Schouten, 1992).

overseas – an increase on the 1996 figure of 16.5 percent - of which half lived in Auckland. The majority have lived in New Zealand for a number of years and come primarily from Europe, Pacific and China (Statistics New Zealand, 2001a). The level of entrepreneurship among these people is generally higher than native New Zealanders, although the type of ventures and entrepreneurial behaviours vary markedly between ethnic groups.

This thesis explored, recorded and analysed the experiences of immigrant entrepreneurs³ from the perspective of four different immigrant ethnic groups in New Zealand. The objective was to form a deeper understanding of the complexities and interrelatedness of the entrepreneurial issues facing ethnic immigrant groups. It aimed to develop a model by which immigrant entrepreneurs can be adequately understood within New Zealand society and also have a broader application to the international context. Therefore, the results of the research undertaken offer a conceptualisation of immigrant entrepreneurship and a broader explanation of ethnic characteristics, commonalities and variances.

1.1 Research Question

This research posed the question: What factors can help explain the phenomenon of immigrant entrepreneurship within the diverse and complex socio-cultural and environmental context in which it exists? To better understand the phenomenon, this thesis explored how immigrants in New Zealand - from different ethnic backgrounds - dealt with immigrant entrepreneurship (i.e. understanding entrepreneurial decisions and patterns in the establishment and operation of their small and medium sized enterprises). It argues that the reasons for immigrant entrepreneurship in New Zealand are multifaceted and poorly understood, and therefore deserve in-depth study. Furthermore, such a study could add to the international understanding of entrepreneurial behaviour among immigrant communities in other receiving countries throughout the world. To achieve this objective, this research attempted to bring insights into a study of the embedded internal and external factors that have a multi-dimensional influence on entrepreneurial behaviour (or, as in some cases, the lack of it) among ethnic immigrant groups from geographically and culturally diverse backgrounds. As preliminary steps to achieving this objective, this study sought to break down the question into workable sub-questions, establish a clear definition of

³ An immigrant entrepreneur is defined as any person engaged in immigrant entrepreneurship.

immigrant entrepreneurship, and identify the ethnic immigrant groups which would make up this study.

A breakdown of the research question

The research asked the following questions in exploring immigrant entrepreneurship in New Zealand.

1. What impact do different *internal [socio-cultural]* factors (e.g. personal characteristics, family, cultural factors, and values⁴) have on immigrant entrepreneurship in New Zealand?
2. What impact do different *external [environmental]* factors (e.g. social-cultural, legal and political issues in the receiving country and homeland environments⁴) have on immigrant entrepreneurship in New Zealand?
3. How can immigrant entrepreneurship be explained in a theoretical model?
4. What commonalities and variances are reflected in the entrepreneurial behaviour of different ethnic immigrant groups?

Definition of immigrant entrepreneurship

In the context of this study immigrant entrepreneurship has been defined as: *immigrants or their immediate offspring, who have a specific ethnic identity, and who create work place settings for themselves and others, within their receiving country.* The rationale behind the development of this definition is outlined in detail in the next chapter.

Ethnic immigrant groups

The four groups chosen were Chinese, Dutch, Indian and Pacific Peoples. The reasons for this mix of ethnic origins are outlined below.

- ***Dutch:*** New Zealand's earliest recorded European contact was by the Dutch explorer Abel Tasman, followed by the English explorer James Cook. The country was then taken under colonel rule, and European immigration became an integral part of New Zealand's development and the backbone of its population base – surpassing the indigenous Maori. Although in the later 20th century European immigration has been surpassed by Asian and Pacific immigration, the historical context and sheer numbers

⁴ In line with the principles of grounded theory, this study took the position of not presupposing any internal or external factors prior to data collection. However, in order to develop context and a level of understanding for the reader, examples are presented in the final writing of this study at this early stage.

that identify themselves as European/Pakeha make them the dominant population base in New Zealand. Therefore, to include a group in this study representing New Zealand's European links was considered essential.

- ***Chinese and Indian:*** Asia now houses three of the world's top five economies - China, Japan and India. Asia will increasingly impact on the lives of all New Zealanders, and its growing economic dominance will determine patterns of investment and business activity in this country in the future. Furthermore between 1991 and 2001 the number of New Zealanders of Asian decent doubled from 99,000 to 237,000 and by 2021 the numbers are predicted to double again to 670,000, which will then represent 15 percent of the total New Zealand population (Steeds, 2006). Hence the level of connection to the New Zealand-Asian community will impact on New Zealand's ability to participate in this new economic powerhouse and therefore two groups, Chinese and Indian, were represented in this study.
- ***Pacific Peoples:*** New Zealand has had strong historical, geographical and economic ties to the Pacific Islands. Overall one in sixteen people in New Zealand are of Pacific ethnicity (Statistics New Zealand, 2001b). Furthermore, New Zealand has played a significant economic and social role in the development of Pacific Rim countries. Notwithstanding Niue and Cook Islanders having New Zealand citizenship, many Samoan and Tongan Islanders have also made New Zealand their home. Because of the strategic impact of Pacific Peoples on New Zealand's ethnic mix and this country's political mandates within the Pacific Rim, they were the fourth sample group identified for this study.

As stated in the research questions, this study specifically sought to discover the internal [socio-cultural] and external [environmental] factors leading to entrepreneurial activity among the four identified immigrant groups. Qualitative data in the form of semi-structured interviews with immigrant entrepreneurs from each of the four ethnic immigrant groups was used, as well as secondary data in the form of relevant entrepreneurship, ethnic and immigration literature and New Zealand statistical data, to develop a model of immigrant entrepreneurship by which commonalities and variances between the groups could be investigated.

1.2 Significance of the Research

The importance of understanding immigrant entrepreneurship is reflected in the rise in ethnic entrepreneurship⁵, as increasing numbers of foreign migrants in urban and rural environments choose self-employment (Masurel, Nijkamp & Vindigni, 2004). On any given working day throughout New Zealand or other migrant receiving countries, immigrants and their siblings are likely to be making decisions regarding the employment opportunities that are available to them. A major element of immigrants' social and economic integration is tied to the status attained through some form of employment - which impacts on their family viability, social acceptance and personal esteem. One approach to satisfying these needs is to engage in entrepreneurial activity, although it has already been inferred that different immigrant ethnic groups approach this prospect quite differently. For example, Krueger and Brazeal pointed out that "we fully recognise that entrepreneurial activity does not occur in a vacuum. Instead it is deeply embedded in a cultural and social context, often amid a web of human networks that are both social and economic" (1994, p. 230). A major conclusion of the international literature is that immigrant entrepreneurial activity/self employment⁶ is a promising springboard for immigrants' social integration, and reinforces their economic position and social status (e.g. Hunter, 2007; Masurel et al., 2004). The proliferation of immigrant entrepreneurship has lead researchers to conclude that over the last 100 years foreign born had been more likely to be self-employed than native born (Fernandez & Kim, 1998). Another example of the proliferation of immigrant entrepreneurship is offered by Rath and Kloosterman's (2003) finding that between 1986 and 2000 entrepreneurial activity amongst immigrants in the Netherlands increased threefold, and they argued that this reflected similar patterns to that found in the USA and Britain. These entrepreneurial decisions are influenced by individual, cultural and societal factors, and can include immigrants aspiring to be self employed - opportunity entrepreneurs, or those forced to engage in self employment due to a lack of employment opportunities - necessity entrepreneurs (Frederick, 2004). The behaviours behind entrepreneurial choices are often dynamic and complex; furthermore, they entail decisional and behavioural patterns that may be unique to specific ethnic groups.

⁵ Ethnic entrepreneurship is defined as "business activities in a certain area driven or undertaken by people of a different ethnic or cultural origin than the indigenous population" (Masurel et al., 2004, p. 78).

⁶ Entrepreneurial activity is commonly defined as self-employment within the literature; however, this study refers to entrepreneurial activity as a subset of self employment: operation of small and medium sized enterprises and the employment of others.

In Hofstede's (1991) writing on cultural differences, he quoted Rose from the 1955 play 'Twelve Angry Men' based in a jury room of a New York court room, in which there was a confrontation between a garage owner and a European-born watchmaker⁷. Hofstede argued that we behave in the way we are raised. He surmised that the world is full of people who feel, act and think in different ways depending on their national and cultural background, as "it is the collective programming of the mind which distinguishes the members of one group or category of people from another" (1991, p. 5). Such cultural characteristic programming influences employment decisions and in many cases may be favourable or detrimental to entrepreneurial activity, and hence can enhance or be a drain on national economic resources. For example, Smallbone, Bertotti and Ekanem (2005) referred to the economic benefits to the London economy of Asian cultural diversity in the creative sector, while Cochran (1960) argued that in some cases cultural characteristics, such as seeking prestige, can be unfavourable to national economic development.

Social anthropology has developed the conviction that all societies, modern or traditional, face the same basic problems, only the answers are different (Hofstede, 1991). Immigrants in New Zealand, and other receiving countries, come from different cultures and personal histories, and all face similar settlement problems such as adoption of a new language, starting a new life, developing sustainable relationships, attaining employment, and facing inequities in society. But for each distinct immigrant group (reflecting ethnic and national differences) the answers to these settlement problems may be quite different, as every migrant group comes from patterns of thinking, feeling, and acting that have been learned through their lifetimes and which are grounded in historical events, personal recollections, and cultural values. Thus a philosophical position of attempting to solve settlement problems for new immigrants by general solutions (as in generic policy implemented by governments or community service and business groups) decries the unique nature of each ethnic group, let alone individual differences. Therefore, any development of theory or extension of knowledge on immigrant entrepreneurship requires an ethnic perspective.

⁷ Extract from 'Twelve Angry Men' (in Hofstede, 1991, p. 3):

11th Juror: (rising) 'I beg pardon, in discussing.'

10th Juror (interrupting and mimicking) 'I beg pardon. What are you so polite about?'

11th Juror: (looking straight at the 10th juror) 'For the same reason you're not. It's the way I was brought up.'

The research itself was inspired by: (1) this researcher's immigrant background and previous research into New Zealand entrepreneurship (Cameron & de Vries, 2006; de Vries, 2003a, 2003b; de Vries & Shields, 2006; Drever & de Vries, 2006); (2) New Zealand's strong history of immigration (Frederick, 2004); (3) the international interest in immigrant entrepreneurs (e.g. Aldrich, Jones & McEvoy, 1984), as this thesis builds on other New Zealand research which is related to general immigration issues (Chapple, Gorbey & Yeabsley, 1994; Department of Labour, 2003; Elliot & Gray, 2000; MacPherson, Spoonley & Anae, 2001, Norris, 1999; Yusuf, 1998); and (4) the unique contributions to New Zealand by immigrants, who through their business activities enrich New Zealand's society with new products or services and export potential (North & Trlin, 2004).

The entrepreneurial behaviour of immigrant groups is of ongoing international interest to business bodies, financial institutions and politicians. News media organisations are regularly reporting on the activities of entrepreneurs. Much has been written (e.g. Kuratko & Hodgetts, 2004; Timmons & Spinelli, 2004) about the significance of entrepreneurial behaviour in the economic and social development of nations. Existing international studies have identified both factors internal to migrant groups (personal characteristics, family, cultural factors, values etc) and factors external of migrant groups (social-cultural, legal and political issues in the receiving country and homeland environments), as influencing the level of entrepreneurial behaviour (e.g. Masurel et al., 2004). Of particular interest to this study was the type and level of entrepreneurial behaviour among heterogeneous immigrant groups in establishing small to medium sized businesses (SMEs) in New Zealand. Specific research in this country has been conducted on the influence migrants have on their host country from both an economic and social perspective (e.g. Elliott & Gray, 2000; Fletcher, 1999). Internationally research has been undertaken into immigrant and ethnic minority business development (e.g. Baldock & Smallbone, 2003), and the cultural/social influences on such activities (e.g. Kloosterman, Van der Leun & Rath, 1999). However, comparative studies of the influencing factors that facilitate entrepreneurial activity among different ethnic groups are limited internationally and consequentially, there is inadequate development of theory in this area. Certainly, no research has been undertaken in New Zealand with respect to the combination of: (1) the varying impact of internal and external forces on immigrant business development within (2) differing ethnic backgrounds. In this country, research has been undertaken with regard to the social and fiscal impact of immigrants on New Zealand society (e.g. Nana, Sanderson & Goodchild, 2003); and

indigenous and ethnic entrepreneurs have been studied in isolation (e.g. North & Trlin, 2004). Much of this research, however, has focused on segregated analysis and has therefore disaggregated entrepreneurship and immigration. As a consequence the understanding of the differing cultural values and backgrounds in the context of the New Zealand social and political environment and how they impact on entrepreneurial behaviour (i.e. establishment of SMEs) among immigrants has not been effectively established through existing research.

1.3 Overview of the Thesis

This thesis sought to understand the factors influencing the entrepreneurial behaviour among distinct ethnic immigrant groups residing in New Zealand, and outlined how this phenomenon can be explained through a model with universal application. This involved the development of an immigrant entrepreneurship model through an inductive process of applying grounded theory, and the development of ethnic cases for each immigrant group through applying case study analysis. The research was based on 77 interviews and utilised four ethnic groups (Chinese, Dutch, Indian, and Pacific Peoples) as heterogeneous groups which were deemed suitable for overall model development, comparative analysis, and case study formation. The overall thesis is constructed in the following way.

Development of a definition of immigrant entrepreneurship

Chapter Two presents a review of the international and New Zealand entrepreneurship, immigration, and ethnicity literature, in order to establish a contextual framework from which to establish the research. This process allowed the parameters for this study to be set with regard to a definition for what constitutes immigrant entrepreneurship, and facilitated the establishment of purposeful sampling protocols.

Methodology

Chapter Three reviews the literature with regard to the qualitative research paradigm. It discusses the evolution and application of grounded theory (Glaser & Strauss, 1967) which adopts an inductive process of ‘discovering’ theory from data, and the principles behind case analysis (Yin, 1994). Chapter Four builds on the previous chapter by explaining precisely how the research utilised grounded theory and case analysis methodology to

complete this study. It explains how data was generated via semi-structured interviews, and coded and indexed using thematic analysis. The chapter also describes how NVivo data analysis software was used as a coding, retrieval, and analysis tool during the theoretical development stage. Finally it outlines how individual case studies were established for each of the four ethnic groups under study.

Results

Chapter Five contains the full description of the analysis and interpretation of the data within the four constructs which underpinned the theoretical development of the model of immigrant entrepreneurship, i.e. migration profile, settlement profile, cultural profile and business profile. Chapter Six then outlines the theoretical framework behind the model of immigrant entrepreneurship. It describes the constructs relationship with the adaptation matrix factors - which are the basis of the full model's development. It explains how the research led to the integration of the four constructs which impact on immigrant entrepreneurship patterns, and secondly the immigrant entrepreneurs perceptual and engagement relationships with internal (interpersonal) and external (structural) factors within each of the constructs. For example, immigrant entrepreneurs held varying views (perceptual) about social discrimination in New Zealand (an external factor within the Settlement Construct), but they were also required to deal with discrimination in real terms of their interaction with society (engagement). The research also identified where patterns were generic (i.e. similar behaviours within constructs) or unique to any of the four ethnic groups in this study. The chapter goes on to detail how this model can explain entrepreneurial behaviour, undertake comparative analysis, and establish a framework for individual ethnic group case analysis.

Ethnic immigrant entrepreneurship case studies

The development of the immigrant entrepreneurship model culminated in four distinct case studies of ethnic immigrant entrepreneurship. Chapter Seven contains the specific case studies which were established for each of the four sample groups (Chinese, Dutch, Indian and Pacific Peoples). These case studies were based on the immigrant entrepreneurship model's framework of concepts and categories, and were composed through triangulation of: (1) the data from the immigrant entrepreneurs' interviews, which was collected during the grounded theory stage of this study; (2) the international and national literature on ethnic immigration (e.g. New Zealand Census data and Government authorised reports on

immigration); and (3) semi-structured interviews with ethnic leaders and commentators from each ethnic group. Appendices 6 to 9 contain the full description of the analysis and interpretation of the case data.

Conclusions

In the eighth and final chapter, conclusions were drawn on the implication of the model to the national and international expansion of the literature on immigrant entrepreneurship. It also draws conclusions on commonalities and variances in entrepreneurial behaviour within the four immigrant groups in the New Zealand study, discusses the limitations of this study, and explores the potential future direction of this area of research.

CHAPTER TWO

TOWARDS A DEFINITION OF IMMIGRANT ENTREPRENEURSHIP

Historically and in the contemporary world, immigrants play a significant role in the development of national entrepreneurial activity of receiving countries. They display a drive to build better lives through their willingness to act on their own resources and take charge of their own financial destiny (Hunter, 2007). They use their traditional home country values to facilitate their success in entrepreneurial ventures, commonly called the transplanted cultural thesis (Li, 1993). Many countries report that immigrants contribute to the population of the self-employed to a greater degree than that of the population as a whole (Cameron, 2001). These activities usually include establishing or purchasing an existing business in which they employ themselves and others, accessing start-up capital within their own ethnic community, and adding value to their family, ethnic community or society as a whole.

The process by which immigrants involve themselves in New Zealand's economic wellbeing is a topic we know little about (Hunter, 2007). Differences in self-employment rates have been observed in many countries, thus making it difficult to aggregate ethnic immigrant groups (Hammarstedt, 2004). The Weberian approach argues that there is no consistency in entrepreneurial behaviour, as it varies significantly depending on culturally influenced values and beliefs (Dana, 1995). Furthermore, there is a widely held view that ethnic business development is driven by both external social forces and internal ethnic solidarity (Li, 1993). Limited employment opportunities, high rates of unemployment, marriage, family, gender, length of time in a country, and lack of higher education are all factors influencing the decision to be self employed (Hammarstedt, 2004). These factors, and the ensuing entrepreneurial behaviour, vary significantly between different immigrant groups (Cameron, 2001; Hammarstedt, 2004). For example, in New Zealand self-employment is low among Polynesians but high among those from Asian origin (Statistics New Zealand, 2001a). In another example, Chapple et al. (1994) quoted Zodgeker who used the 1981 New Zealand census data to assert that Dutch immigrants were more likely to be self-employed farmers, while half of all male Indian immigrants (in the sales occupation classification) were working proprietors frequently assisted by other family members.

Accepting that the reasons why immigrant entrepreneurs go into business are dynamic and multidimensional, Kloosterman et al. (1999) contended that the rate of participation in entrepreneurship of a particular group of immigrants depends on the intricate interplay between socio-economic characteristics of the group in question and the opportunity structure. They suggested that immigrant entrepreneurs can only be understood effectively by taking into account a concept of mixed embeddedness, which encompasses both their embeddedness in social networks (their own formal and informal activities), and their embeddedness in the socio-economic and politico-institutional environment of the country of settlement. Hunter (2007) suggested that in establishing themselves (i.e. embedding themselves), migrants do not suffer from a host nation's preconditioning and appear free of society's shackles, thus acting more creatively and with genuine innovation. Fletcher (1999) added the dimension of global forces, in referring to the character of immigration as changing with globalisation, technological changes, and economic and demographic forces. He suggested participation in labour markets across international boundaries are influenced by changing telecommunications, cheaper international travel and global 'push factors' (e.g. lack of opportunities for Pacific Peoples in the Islands). While Salt (1992) pointed out that with the globalisation of international labour migration, governments and international businesses are taking the view that human resources can be traded for profit like any other resource. These conditions of embeddedness and globalisation are very complex and varied, but by appreciating these factors researchers can gain a deeper understanding of settlement, integration and related migration concepts, and as a consequence, a greater appreciation of different immigrant groups.

Some authors argue that the change in fundamental migration patterns and the complexities of migrant behaviour represent the need for a paradigm shift (Fletcher, 1999). Migrant groups are also participating in labour and business markets that cross international boundaries. Fletcher (1999) stated that because of the increasing mobility and destination choices open to skilled migrants, for New Zealand to gain maximum advantage of immigrant entrepreneurial capability, it is necessary for key settlement outcomes to be addressed rapidly. He suggested that this should not just apply to the principal applicants but to the successful settlement of the whole family, and would be central to New Zealand's ability to attract and retain the migrants it wants. A further argument for a paradigm shift is in the practicalities of settlement itself, where the assimilation model has been discarded in favour of an adaptation approach to integrating migrant groups. The settlement process has

become a multi-dimensional activity involving the management of all aspects of the immigrants' makeup, culture, national history and family dynamics. As immigrant entrepreneurship is interwoven with settlement, and because immigrant entrepreneurship can occur prior to, during and after settlement, it also faces the same complexities and paradigm shifts. For example, immigrant entrepreneurship may happen in conjunction or contrary to the migrant's (or their families') socialisation, be an integral part of a successful settlement process, or cross cultural and settlement boundaries. Fletcher (1999), furthermore, highlighted the importance of a carefully managed immigration policy, based on current information and which serves the dual process of attracting desirable migrants and effecting satisfactory settlement. Yet, Chapple et al. lamented the lack of continued investigation into the key assumptions of immigration: "A further important issue was the focus of significant portions of the relevant material on aggregate results. Many of the interesting questions in the economics of immigration are distributional – who gains what? This requires more detailed models of research that examine sectors, regions, cohorts or skill groups" (1994, p. 9).

In the light of the significance of immigrant entrepreneurship and the complexities surrounding this topic, it was necessary to establish a clear standpoint on what constitutes immigrant entrepreneurship, as a definitional position on basic concepts is fundamental to a sound research structure. Kupferberg affirmed the need for such a position in stating "[k]nowing who the entrepreneur is, is far from irrelevant from the point of view of a biographical approach, indeed, it must be the starting point for any meaningful analysis of entrepreneurial phenomena" (2004, p. 73). The ensuing sections, therefore, explain how a workable definition was established by reviewing the literature on immigration, entrepreneurship, and ethnicity. The parameters of the literature review did not include existing theory on immigrant entrepreneurship, rather the review simply established a definitional platform from which this study could engage in meaningful research. The literature was reviewed from both an international and New Zealand perspective and revealed the level of complexity encountered in defining, and consequently integrating, the concepts of immigration, entrepreneurship, and ethnicity. Notwithstanding the complexities of the discussion, the concluding section of this chapter established a definition of immigrant entrepreneurship. This ensured that the research could move forward, as outlined in the ongoing chapters of the thesis, to the governing objective of understanding the

immigrant entrepreneurship process and the character at the centre of this phenomenon - the immigrant entrepreneur.

2.1 A Review of the Immigration Literature

This section reviews the general literature on immigration. It discusses the migration motivations, benefits of immigration to receiving countries, and the changing settlement context in New Zealand. The discussion highlights the importance of understanding ethnic differentiation because of the complexity of cultural and family dynamics. These distinctions are important as immigrant entrepreneurship is regularly identified (although often indirectly) in the general immigration and settlement literature. This section, therefore, adds weight to the formation of a definition of immigrant entrepreneurship, and gives justification for the study of different ethnic immigrant groups.

Whybrow (2005, p. 53) defined migration as “to move from one place to another,” which implies a deliberate and planned purpose. He inferred that a migrant is the maverick who runs at the edge of the human herd, and as such they are a self-selected band of seekers who are adventurous and curious of mind. Daniels, Radebaugh, and Sullivan defined an international migrant as “a person who takes residence in or who remains for an extended stay in a foreign country” (2002, p. 115) and state that such residency can be voluntary or forced. Some immigrants voluntarily take up residence in foreign countries for employment, study, reunification, enrichment, and other personal reasons. Others are escaping persecution, natural or human disasters, conflict, repression or other situations that endanger their livelihoods or freedom, and are considered forced migrants.

Lane (1972) argued that economic motives are the most common driver for migration. Dunstan et al. (2004) expanded this economic motive to a broader ‘lifestyle’ motive as the main driver of skilled immigrants, and family relationships in New Zealand as a major driver of sponsored or humanitarian immigrants. Whybrow identified immigrants as people with energy and suggested that “their restlessness is focused on improving themselves, their families, their adopted community, and the respect within those communities” (2005, p. 233). In a similar vein, Poot (1993) pointed out that there is evidence that immigrants in New Zealand value ‘quality of life’ aspects more than monetary gain, and further suggested

that there is not sufficient recognition that their motives are driven by the perceived benefits for the next and subsequent generations rather than for themselves.

2.1.1 Benefits of Immigration

From a global perspective Daniels et al. (2002) argued that immigration is a vibrant source of links among nations. In 2000 alone there were over 150 million international migrants worldwide. This may be, in part, because migrant receiving countries view immigration as economically expansionary (Lane, 1972). For example, Whybrow (2005) stated that the USA, as one of the major receiving countries of the last century, has a national identity that is held together by its migrant history, and with this commercial advantage the USA is currently undisputed as the world's economic leader. Lane (1972) contended that economic expansion of the USA in the 19th Century could not have taken place without the massive immigration of the period. He espoused the benefits of an effectively controlled immigration policy as being two fold in stating: "the 'ideal' immigrant brings a skill which is in short supply in order that the desirable expansion can take place and he [or she] creates a demand for commodities in those sectors where labour and other productive factors are abundant" (1972, p. 126). In the New Zealand context, Frederick quoted Martz on the impact of migration to this country as saying "New Zealand is founded on immigration. It continued to be a feature of national life, with nearly one New Zealander in five being born overseas" (2004, p. 221). The personal networks of many of these immigrants underpin much of New Zealand's overseas trade and its attractiveness to overseas investors. It further provides new sources of cultural knowledge and language skills, promotes tourism, and strengthens external links (Morgan, 2002).

Economic and social benefits

Most of the empirical research into the benefits of immigration has been done in Australia, Canada and the USA, which are traditionally large immigrant receiving nations. However, some literature is available in New Zealand, based on interpretations of overseas studies, New Zealand census data, and limited New Zealand based empirical studies. This literature generally argues from the perspective of the benefits of immigration and often depicts the entrepreneurial nature of immigrants. Yeabsley (1997, p. 11), for example, outlined how migrants contribute in New Zealand at private and public levels.

- *Gross private economic benefit*: Immigrant and family benefits, ongoing economic opportunities such as entrepreneurship, and economic improvements to the wider family in the host country and their home land.
- *Gross public economic benefit*: Better business and trade links to other parts of the world through personal contracts, new ideas and entrepreneurial approaches, links to investment, and the full impact of economies of scale stemming from the increased numbers.
- *Gross private social benefit*: Better relations with family members, better non-economic conditions, and ongoing improvements in lifestyle.
- *Gross public social benefit*: A more varied society (cuisine, recreation, viewpoints etc), a more tolerant society, and a society that reflects a wider spectrum of the rest of the world.

Cultural benefits

Whybrow (2005), in his discussion of contemporary American society, contended that migrants approach life with extraordinary resolve, self-selected in their search for betterment and shaped further by the challenge of their journey. In essence, he suggested that with their entrepreneurial behaviour the migrant infuses the host country with new energy and fresh ideas. The study by Watts, White and Trlin (2004) on perceptions among New Zealand senior staff from tertiary institutions overwhelmingly indicated that the majority of participants considered that immigrants had made a positive impact on this nation's way of life, with the food and hospitality industry being identified as the areas where immigrants' cultural influences had the greatest impact on New Zealand's way of life.

Urban benefits

From a demographic perspective, migrants to New Zealand have tended to gravitate to the major cities, in particular Auckland (Statistics New Zealand, 2001c). Internationally, there is a significant literature on the impact of ethnic immigrants on the cities of host countries. Masurel et al. (2004) stated that cities are ideal channels for new business activities of individuals from various ethnic origins and cultures. Kloosterman et al. (1999) cited New York, London, Paris and Amsterdam as examples of cities with significant ethnic immigrant populations, and suggested that they affect cities in the following ways:

- Revitalising formerly derelict shopping streets.
- Fostering the emergence of new spatial forms of social cohesion.
- Opening trade links between far away areas through so-called transnational communities.
- Creating challenges for the existing regulatory frameworks through being engaged in informal economic activities.

Business benefits

From the perspective of entrepreneurial activity Lane (1972) pointed out that immigrants bring a welcome new approach to methods of production. Chapple et al. (1994) contended that many countries take the view that immigrant entrepreneurs are good for the economy, as they bring capital, contacts and market knowledge, then invest in business and hence create employment. Chapple et al. did concede that immigrants may, however, displace some native entrepreneurs who have capital constraints. They also referred to the longevity of immigrant businesses in quoting a 1988 Australian study by Strahan and Williams, who analysed 2,130 small businesses owned and managed by overseas-born persons and found that immigrant-owned businesses were much more likely than non-immigrant businesses to survive to three years. Chapple et al. argued that certainly in Australia there was no evidence to suggest that immigration raised the proportion of entrepreneurs but that there was evidence to suggest that the quality of entrepreneurs improved by business immigration. Immigrants' children added a further dimension to the successful adaptation process, as Poot (1993) cited Chriswick's 1986 US study which found that male offspring of immigrants had five to ten percent higher earnings than comparable native-born men. The reason suggested was that those immigrants invested more in their offspring's education, and as a consequence did better in the labour market.

Perceived drawbacks

Amongst the positive portrayal of immigration there have been some concerns among New Zealanders that immigrants take the jobs of existing New Zealanders. Research evidence, however, suggests that this view is unwarranted (e.g. Poot, 1993). Chapple et al. (1994) drew on an Australian study in stating that there is no evidence of causality from immigration to unemployment. Immigration did not significantly affect structural unemployment and in cyclical terms migrants created at least as many jobs as they filled.

Chapple et al. suggested that these results are likely to be applicable to the New Zealand context. Whybrow (2005) did caution about the benefits of immigration in that the resonance between the acceleration of the social and economic environment and the competitive, workaholic ways of the migrant temperament has spurred on an American manic pursuit of self interest and material wealth: “In 1776 nobody understood what ‘the pursuit of happiness’ really meant, nor do we today, but the metaphor has always been clear: in the American temperament there lives a restless desire to achieve some ill-defined perfection, and toward that end, the pursuit of self-interest. As Adam Smith first championed, is a valued virtue” (Whybrow, 2005, p. 47). Whybrow argued that this brand of aggressive capitalism can be detrimental to the overall societal wellbeing. His claim for the USA was “[d]espite the nation’s growing wealth, few Americans are any happier. Material progress and happiness, it turns out, do not march hand in hand. There is a correlation between per capita gross domestic product and the happiness of nations; however, that relationship disappears once justice is established and a certain standard of living is attained.... In America we are not as happy as we are rich” (p. 228). Yeabsley (1997) also added a cautionary note, that along with benefits of immigration, there can also be costs at both economic and social levels. Ethnic ghettos and racial tensions have accompanied poorly managed immigration policies. Unfortunately Salt (1992) suggested that there is no obvious way of balancing the economic costs and benefits of immigration, let alone incorporating social and ethical aspects into the equation.

2.1.2 New Zealand Settlement

Fundamental to the success of migrants coming to New Zealand is the issue of an effective settlement programme. Definitions of settlement tend to be open-ended and variable, ranging from ‘securing a permanent footing in a new country’ to ‘full participation in the economic and social opportunity structure of the society’ (Fletcher, 1999). The Canadian Council For Refugees (1998) report included a model of settlement which referred to acclimatisation and the early stages of adaptation, when newcomers adjust to a new life in the host country, including finding suitable accommodation, gaining employment, learning the language, and engaging in societal learning. The Council referred to integration as the longer-term process through which newcomers become full and equal participants in all aspects of the host society while settlement related to the short-term issues rather than long

term integration. Factors affecting migrant settlement include proficiency in the host country language, family and social networks, recognition of skills and qualifications, level of discrimination or prejudice, and ability to learn about the host country. Fletcher (1999) argued that New Zealand is somewhat behind other receiving countries in its thinking with respect to settlement issues. Fletcher also suggested that the concept of migrant settlement is less straightforward and more subject to change than might at first be thought:

“Various writers have attempted to identify phases or stages of the settlement process. While of some use, these tend to imply that integration is a linear process and that settlement occurs at a similar rate across all aspects of life. Evidence suggests neither of these conditions holds. For example, settlement issues can arise long after arrival when immigrants (especially those of non-English speaking backgrounds) become elderly and have new health and social needs. Also, immigrants may be well settled in one dimension of their life (e.g. employment) but poorly integrated in other aspects. Alternatively, some members of the migrant family may be well integrated while others are not” (1999, p. 8).

Over the second half of the 20th century there was a change in the way settlement was viewed internationally, with a move from an assimilation model to a more multicultural perspective of settlement. The assimilation model’s objective was to ensure immigrants merged into their new society without any alteration to that society. In essence, successful settlement meant immigrants achieved a level of invisibility, much as the Dutch achieved through the 1940s and 50s in New Zealand. The Dutch adapted themselves to their new country, blended in to the already predominantly European society and lived throughout the country (Schouten, 1992; Thomson, 1970). From the late 1960s the appropriateness of the assimilation model began to be questioned by a number of migrant receiving countries, as dehumanising and contrary to the human rights of migrants who have distinct cultural, language and religious differences to the host society (Fletcher, 1999). Hence the concept of multiculturalism gained more prominence, with its emphasis on allowing migrants to retain their cultural heritage while still having access to services within the host society. This approach can best be observed within the current New Zealand Pacific Peoples community, with an emphasis on cultural and language retention, dedicated New Zealand Government support services (e.g. Ministry of Pacific Island Affairs) and community networks (e.g. churches). Fletcher (1999) concluded that multiculturalism is fundamentally

different from assimilation and has far reaching implications, for both how the settlement process is viewed and the response to it by migrant groups and the host society.

Ethnic minority groups view family ties as an important component of settlement. The term 'family' encompasses a broad range of relationships, but most definitions identify the existence of some obligatory ties between family members, whether these ties are biological or extended forms of kindredship such as spouses and their family. Elliott and Gray (2000, p. 6) argued that the family should be viewed as a broad social construct: "The family is not necessarily, or even essentially, a biological unit. It is a social construct. The 'myth' of biological relationships has been used in arguments about property and inheritance but has little relation to the way people operate in terms of 'family'." This concept of the family fits better with the varying cultural family patterns and situational influences that make up the family units of migrant groups in New Zealand. Research suggests that family units that incorporate more than one ethnic group (e.g. mixed marriages) and extend across multiple countries (Elliott & Gray, 2000), have a significant impact on the relative ease of settlement. Many immigrants utilise these family networks by staying with family members on arrival (Dunstan et al., 2004), while for others family support is seen as beneficial to their entrepreneurial activity (Hammarstedt, 2004). Furthermore, common within migrant groups is a sense of family obligation, cultural and emotional expectations rather than legal commitments to family members. The strongest of these relate to the care of children and aging parents, but in many cultures this obligation extends out to wider kin (Elliott & Gray, 2000).

2.1.3 The Implications for a Definition of Immigrant Entrepreneurship

In conclusion, immigration has generally been considered as economically and socially expansionary. With respect to the management of immigration, the issues of multiculturalism, family networks, and time dimensions have led to a greater appreciation in New Zealand that settlement and adaptation are multi-dimensional, multi-level phenomenon that are both processes and objectives for immigrants and their families. In defining immigrant entrepreneurship the concepts of settlement and adaptation are inextricably linked to differing homeland characteristics, family dynamics, traditions or cultural background, and length of time in the receiving country. Hence any definition, as a

prerequisite to researching the immigrant entrepreneurship phenomenon, should be broad enough to respect ethnic variances and time dimensions. Therefore, for the purpose of this study, the next section considers how differentiation can be achieved between immigrant groups by discussing what constitutes ethnicity.

2.2 Ethnicity, Race and Nationality

The immigration section discussed the benefits to receiving countries of immigration. Alluding to immigrants, however, as a single cohort belies the complexity of settlement adaptation for different immigrant groups. Currently, issues of race, bi-culturalism, ethnic identity and nationalism have dominated settlement thinking (Fletcher, 1999), causing the retreat of the traditional doctrines of assimilation and creating a homogeneous society. This shift has been driven, in part, by receiving countries' attempts to grapple with rising inequality and indifference on the part of their dominant groups, the concentration of affluence, and rising poverty (Bobo, 1999). Immigrant minority groups have looked to their traditional cultural values and their own community connections to deal with inequities within receiving countries, as they strive to achieve economic and social advancement. It is, therefore, argued that an understanding of immigration requires a disaggregation of the various ethnic groups that have made their home in receiving countries such as New Zealand. How groups should be differentiated with respect to ethnicity, race and nationality needs consideration, to achieve this study's dual purposes of establishing a model of immigrant entrepreneurship and identifying variances of entrepreneurial behaviour among different ethnic groups.

Accepting that ethnicity has relevance to the objectives of this study, the problem then arises as to how to differentiate this concept from race and nationality. This issue has perplexed many writers, for example, Christopher (2006) lamented the lack of a universal definition or classification system for ethnicity. Wallace (2000, p. 155), however, adopted Weber's definition as "groups that entertain a subjective belief in [members'] common descent." He suggested that this definition is broader than kinship and that behind ethnic diversity there is a notion of the 'chosen people.' He continued by arguing the similarities between the concepts of ethnicity and race, in that they both lie in the notion of sharing a common ancestry (at least in part), and both do serve the same anthropological purpose as

social identifiers. Christopher (2006) did, never-the-less, concede that ethnic identity deals more with behavioural characteristics such as food, dress, dance and worship, whereas race deals with anatomical feature like skin colour, hair, nose, lip size, stature etc.

The differentiation between the concepts of ethnicity and nationality are as problematic as ethnicity and race (Eriksen, 2002). Nation states and nationality are territorially based and have generally come into being through human history as coalitions of ethnically diverse populations. Constantly changing national borders, therefore, associate a person to a territory of their birth or residence (nation state), but not necessarily to the social identifiers of ethnicity and race. This suggests that within currently existing societal and territorial structures, differentiating or establishing parallels between the concepts of ethnicity, race and nationality are problematic. Many countries contain numerous ethnic groups with distinct customs, language, religion, and family structures, while still being of the same nationality. For example the present 'Chinese' nation includes Han, Kazakhs, Mongols, Uyghur, Koreans, plus fifty or more other ethnic groups (Wallace, 2000). On the other hand, ethnic groups can be divided by national borders. For example, the Kurds of Turkey and Northern Iraq are divided between varying nation states. The consideration of nationality as an approximation of ethnicity is therefore thwart with inconsistencies.

In addition to the already stated complications, ethnicity is difficult to apply to homogeneous behaviours. Elliott and Gray (2000, p. 5) argued that "there is little reliable research measuring cultural characteristics, and what there is does not differentiate among sub-groups." Ethnic identity can vary both quantitatively and qualitatively among members of an ethnic group and change over time. Hence ethnic, race and national categories should be approached with caution as they tend to be contentious concepts that in fact polarise discussions. Any such polarisation can only hinder the development of knowledge regarding the human condition. Hofstede (1991) argued for a simple national classification, in stating that the passport one holds is the only feasible criterion for classification. He suggested that data collection on a national level supports the ultimate goal of research - promoting cooperation among nations. Yet this concept does not allow for a greater understanding of ethnic perceptions in migrant receiving countries. Therefore the Menzies, Brenner and Fillion (2003, p. 126) citing of Aldrich and Waldinger's (1990) definition of ethnicity as "self-identification with a particular ethnic group, or a label applied to outsiders" may be more appropriate. Within this definition the concept of *labelling* may be

especially influential in a receiving nations' classification of immigrants. Consequentially, for consistency and clarity of purpose in this study, the ethnic groups identified for in-depth research were classified on broad ethnic *labels* of Chinese, Dutch, Indian, and Pacific Peoples. Furthermore, this study recognised specific national borders as a unifying factor in selecting the ethnic sample groups. That is to say, the groups under study had an association to common territories. This design implies that there is significant overlap with the concepts of race, ethnicity and nationality but, as already discussed, differentiating these concepts is problematic (Christopher, 2006; Elliott & Gray, 2000), and a stricter interpretation of ethnicity, race and nationality would overly complicate the underlying objective of this study - which was to examine the entrepreneurial behaviours of immigrants in receiving countries and identify variances among ethnic groups.

2.3 A Review of the Entrepreneurship Literature

This section reviews the general literature on entrepreneurship. In doing so, it does not provide a comprehensive review, but instead, identifies the definitional issues that required consideration in establishing the study's context for immigrant entrepreneurship. Furthermore, a comprehensive review of the entrepreneurship literature is contrary to the principles of grounded theory. This methodology requires that the researcher take a position of neutrality, in dispelling preconceived ideas or findings in the course of discovering new knowledge. The reader is, however, referred to the analysis stage in Chapter Five and Six where an in-depth review of the entrepreneurship literature was undertaken in line with protocols of grounded theory methodology.

2.3.1 Origins of Entrepreneurship Theory

The word entrepreneur derives from French, and literally translated, it means 'between-taker' or 'go-between' (Hisrich & Peters, 2001). Economist Richard Cantillon introduced the term 'entrepreneur' into economic literature in 1734 and considered the significance of the entrepreneur as a risk taker, in that such a person was a trader who would buy at a certain price and sell at an uncertain price (Cuevas, 1994). A further development in the definition of the entrepreneur occurred through the Physiocratic School of Thought (Cuevas, 1994), which, contrary to Cantillon's approach, saw a distinction between the

entrepreneur and capital. Classical and Marxist views saw capital as the key element in the economic process, thus tending to marginalise the significance of the entrepreneur to someone who takes more of a managerial role in economic activity.

By the 20th century, the Cantillon views were revisited through the work of two economists, Johan Heinrich von Thunen and Joseph Alois Schumpeter (see for example Schumpeter, 1961). Known as the German-Austrian Tradition, this school of thought began to identify the distinction between businesses and the entrepreneur. Von Thunen's work developed a theoretical model that introduced the factors of 'risk' and 'uncertainty' into the definition of the entrepreneur. Several decades on from von Thunen's work, Schumpeter introduced the concept of innovation as fundamental to his theories of entrepreneurship. Schumpeter contended that only certain extraordinary people have the ability to be entrepreneurs and that they bring about extraordinary events (Schumpeter, 1951). He viewed the entrepreneur as an 'active' figure in the production process, distinct from the capitalist. Later, under the Chicago Tradition, Knight presented the original von Thunen concept of uncertainty as being quite distinct from the accompanying capitalist and managerial functions. He saw the entrepreneur as an individual who was prepared to undertake risk and bear uncertainty in order to achieve reward or profit (Deakins, 1999). This view portrayed the entrepreneur as an 'energiser' in economic activity. Recently, theories have focused on the financial sphere of the entrepreneur's activities. Kirzner, of the Modern Austrian Tradition, saw entrepreneurs as people alert to profitable opportunities. The Non-economic Tradition, with Max Weber as one of its leading contributors, focused on specific entrepreneurial action relating to differing sociological circumstances. McClelland's studies during the 1950s and 1960s focused on motivational factors of the entrepreneur (e.g. McClelland, 1961), while in the 1970s Leibenstein envisaged the entrepreneur as, on the one hand, performing a managerial function and, on the other hand, possessing a certain psychological capacity to stimulate (energise) entrepreneurial organisations (Cuevas, 1994).

2.3.2 Differing Perspectives of Entrepreneurship

This brief discussion of the evolution of 'entrepreneurial thought' highlights the diversity of ideas as to what constitutes entrepreneurship. With no unequivocal viewpoint, a proliferation of conceptualisations has occurred. Kuratko and Hodgetts (2004) proposed

that a way to define the entrepreneur was through accepting the validity of the diverse theories and tying them together as schools of thought under macro and micro views, although they did confess that this creates a jungle of theories. Hisrich and Peters (2002) suggest that almost all of the diverse theories of entrepreneurship agree that it encompasses a kind of behaviour that includes initiative-taking, organising and reorganising of social and economic mechanisms, and the acceptance of risk and failure. Yet, this is still open to different interpretations by economists, psychologists and businesspeople alike. With a view to simplifying the definition, an Otago University study (Kirkwood, 2001), canvassed 308 business founders and defined an entrepreneur as ‘anyone who has founded his or her own business.’ This might easily be argued as an overlying broad and simplistic definition - yet encompassed the fundamental rationale of entrepreneurship. A further problem arises from this discussion, that there is a tendency towards a ‘uni-dimensional figure’ (Timmons & Spinelli, 2004) in which traditional models tell only part of the story and do not necessarily reflect real-world occurrences in entrepreneurship. Timmons (1994) drew attention to the significance of understanding the entrepreneurial process (as opposed to the individual) and suggested that the entrepreneur’s domain is akin to the problem-solving task of constructing a jigsaw puzzle “[i]n the process of creating the puzzle, pieces will invariably be missing or obscure, and the trick is to see and anticipate - before others do” (1994, p. 8). All in all, the attempt to define the entrepreneur has identified two major themes: *entrepreneurial characteristics* and the *entrepreneurial process*.

Defining entrepreneurs - the individual characteristics

Traits such as innovation, risk taking, autonomy, perseverance, independence, internal locus of control, among others, have been attributed to the entrepreneurial characteristics model (Allen, 1999; Hatch, 2000; Hisrich & Peters, 2001; Krueger, Reilly & Carsrud, 2000; Kuratko & Hodgetts, 2004; Lee and Peterson, 2000; Timmons & Spinelli, 2004). This body of knowledge offers varying opinions as to which characteristics hold prominence, and do little to explain the variances among entrepreneurs. If anything, the proliferation in characteristics is restrictive in limiting entrepreneurial thinking to the North American values of individualism and acquisition. This has significant implications for defining entrepreneurship within indigenous and migrating peoples, as they do not necessarily fit the classic North American model (Hailey, 1987; Morris & Davis, 1994; Te Puni Kokiri, 1998). To further complicate the argument on entrepreneurial characteristics, some authors feel that the identification of an entrepreneurial characteristic profile is a

useful exercise (e.g. Cromie, 2000), while others disagree (e.g. Bygrave, 1989). According to one prominent writer on entrepreneurship “the end result is that we know surprisingly little about those who start and build sustainable ventures” (Morris, 2002; p. 67). Yet investors continue to rate the entrepreneur profile as a critical factor in their investment decisions, and look to particular entrepreneurial characteristics when making those decisions.

Defining entrepreneurs - the process model

The current literature suggests that entrepreneurial thinking has moved away from the figure, characteristics, and intentions of entrepreneurs themselves to concentrate more on the process of their actions and outcomes as a method of definition (Aldrich and Martinez, 2001; Brazeal & Herbert, 1999; Morris, 2002). The process approach focuses on entrepreneurs’ behaviours over the time of their entrepreneurial activity, as opposed to identifying specific personal traits. For example, theories have surfaced around emergence (Davidson, Low & Wright, 2001; Gartner, 2001) and competences (Hunter, 2007; McDaniel, 2000; Man, Lau & Chan, 2002) as vital factors in the entrepreneurial process. A prominent theme in the literature has associated entrepreneurial behaviour with the new venture/small business domain by isolating factors such as innovation, implementation and growth. The concern, however, is that integrating the definition of the entrepreneur with start-up businesses limits its broader understanding. The literature confirms that entrepreneurship is not confined to small business (Hisrich & Peters, 2001; Kuratko & Hodgetts, 1998; Nodoushani & Nodoushani, 1999; Timmons & Spinelli, 2004). Much has been written about the importance of entrepreneurship in corporations, to the extent that it has acquired its own term ‘intrapreneurship’ (Pinchot, 1985). It is not the intention of this study to negate the importance of entrepreneurship at the corporate level but outside of its contribution to the broader understanding of entrepreneurship, intrapreneurship is beyond the parameters of this study.

The complexities of defining entrepreneurship, as evidenced in the literature, were highlighted in the example of the Carland, Hoy, Boulton and Carland (1984) attempt to define the critical characteristics of entrepreneurs. They proposed that the critical factor distinguishing them from non-entrepreneurs, and in particular small business owners, is innovation. Gartner’s (1988) rebuttal argued that most attempts to distinguish between entrepreneurs and small business owners have shown no significant differences. He

contended, in fact, that “a common definition of entrepreneurship remains elusive to scholars” (1988, p. 153). The reply by Carland, Hoy, Boulton and Carland (1998) conceded that despite the long history of the term entrepreneur, scholars continue to differ as to who constitutes an entrepreneur, but argued that the definitional issue is simply an intermediary step in pursuing the question of why entrepreneurs exist. Gartner (2001) then concluded that there is no theory of entrepreneurship that can account for the diversity of the topics that are currently pursued by entrepreneurship scholars and that make up the activities of the entrepreneur. Brazeal and Herbert (1999, p. 42) perhaps most aptly summed up the issue: “Scholars should be careful to explicate the nature, form, and components of the mental model they are using; the generic use of the terms entrepreneurial, entrepreneur and entrepreneurship, when the writer refers loosely to processes, agents, conditions or relative inherent elements of creativity, innovativeness or change, should be sharply reduced and the terms used only when explicitly and definitionally appropriate.” The issue for this study of how wide-ranging an entrepreneurial definition should be, may lie in understanding who the ‘New Zealand entrepreneur’ encapsulates. A review the New Zealand entrepreneurship literature will shed some light on this issue.

2.3.3 Entrepreneurship in the New Zealand Context

The profile of New Zealand entrepreneurs has risen over the last two decades as the figure of the entrepreneur has enjoyed a worldwide revival (Hunter, 2007). Entrepreneurial activities amongst Maori, Pakeha, and immigrant groups pervade our society and have a bearing on New Zealand’s economic performance. The concept of entrepreneurship has extended into our business schools as we herald these people as creators of value and catalysts for economic and social change. Business entrepreneurs have been closely linked to the small business sector and the successful growth of employment therein. Kuratko and Hodgetts (2004) pointed out that in the 1990s rapidly growing small businesses created approximately 600,000 to 800,000 new jobs per year in the US while big business created negative job growth. New Zealand evidence confirms that SMEs⁸ created a net gain of 156,000 jobs between 1995 and 2001, while larger firms had 36,000 job reductions in the same time period (Ministry of Economic Development, 2003). The Global Entrepreneurship Monitor (GEM) reinforced the entrepreneurial nature of New Zealand,

⁸ Based on the broad Cameron and Massey (1999) definition of less than 100 full time staff

with their data showing that “New Zealand is one of the most entrepreneurial countries in the world” (Frederick & Carswell, 2001; p. 20). In New Zealand, SMEs with fewer than 50 employees, constitute 98.7% of all business entities and increasingly employ a larger proportion of the workforce - presently at 44% (Ministry of Economic Development, 2006). Hamilton and Dana (2003), in their discussion of New Zealand’s role in the global economy, identified the important contributions SMEs make in technological sophistication and exporting. They noted that New Zealand was doing many things well, in terms of exporting, in such industries as wine, computer software and graphics, and motion pictures. These are industries in which SMEs are dominant operators.

The positive perspective of entrepreneurship is counterbalanced with the ‘tall poppy syndrome’ that prevails in New Zealand society (e.g. Acheson, 2004). This suggests that as an entrepreneur gains notoriety they are open to public criticism and condemnation for their perceived pursuit of self-interest and profit. Public figures such as Michael Faye, of New Zealand corporation ‘Faye-Richwhite’ and America’s Cup fame, and Eric Watson of the Pacific Retail Group, have come under numerous attacks regarding their entrepreneurial activities (e.g. Cone, 2005). As well, ‘fallen’ entrepreneurs such as Ewan Wilson of the defunct New Zealand Airline KiwiAir and Susan Paul of the bankrupt Rawaka venture received immense negative publicity along with some public sympathy (e.g. Reed, 2006; “The high-flier,” 1998). To add further to the dichotomy, entrepreneurship is generally considered as ‘doing good’ in society with respect to its economic and social well-being. But this is not always the case, as some are involved with dishonest or unethical practices (see for instance “Pharmacist suspended,” 2001; Steere, 2007) - the delinquent entrepreneur is also alive and well in New Zealand.

From a societal perspective, New Zealand business leaders, advisors, and writers profile entrepreneurial activity and reward business entrepreneurs publicly. The media portray the success, innovation and novelty associated with entrepreneurship through programmes such as *Momentum* and *Dragons’ Den*. Bill Day⁹ is an example of a successful New Zealand born entrepreneur who has been acknowledged by business, written about and gained television exposure for his entrepreneurial exploits. Taiwan born David Shu-Han Yu has at 23 already built a video games and property empire (National Business Review, 2002),

⁹ Bill Day is the successful operator of the New Zealand company Seaworks and was named the Ernest and Young 2000 New Zealand Entrepreneur of the Year (McClinchy, 2000).

Australian born Jan Cameron turned her passion for the outdoors into the Kathmandu retail phenomenon (Rotherham, 2004), and indigenous entrepreneurs Mike and Doug Tamiki established the successful Tamiki Tours in Rotorua (Smith & Liu, 2002) and have expanded the Maori Village concept into New Zealand's South Island ("Tamakis' latest," 2007). The GEM report on entrepreneurial activity (Frederick, 2004) suggested that, from a societal perspective, New Zealanders from all ethnic backgrounds were entrepreneurial. It argued for Schumpeter's growth theory that entrepreneurs create and exploit disequilibrium and disturbances; hence entrepreneurship and economic growth are closely and positively associated. Frederick (2004) did place a proviso on this association in warning that it is a complicated issue and that entrepreneurship is only a partial source of a country's economic growth. Neck, Meyer, Cohen and Corbett (2004), in their new venture study of entrepreneurial development, argued that entrepreneurial activity is a combination of two factors (1) the entrepreneur's identifying an opportunity, creating a team, marshalling resources and starting a venture and (2) the system in which it occurs; and that these feed off each other. This infers that entrepreneurship and economic/social conditions are interconnected in complex and multi-dimensional ways.

Although this discussion has identified that numerous stakeholders in New Zealand society consider entrepreneurship as a 'good thing' in terms of creating new jobs, developing innovative products, and generating social benefits (Carton, Hofer & Meeks, 1998), society lacks clarity in how to foster and encourage New Zealand entrepreneurial activity. Hunter (2007) lamented the lack of collated historical evidence of the New Zealand entrepreneurial character and its world class abilities, and protested the recent emphasis on simply churning out business start-up books. Carton et al. quoted Sandberg's writing in summing up the paradox: "I don't know what entrepreneurship is, but I will recognise it when I see it" (1998, p. 73). Therefore, an ad-hoc approach to supporting and encouraging entrepreneurial activity has developed in New Zealand. For example, many New Zealand politicians appear acutely aware of the significant role played by indigenous and immigrant entrepreneurs, and have attempted to foster an environment that stimulates entrepreneurial activity. As former Prime Minister Jenny Shipley pointed out in a political address, "New Zealand is in the developed world today because of our Kiwi entrepreneurs. How well they fare will determine all New Zealanders' standards of living in the future" (Shipley, 2000; p. 9). Yet, successive New Zealand governments have been unclear as to their role in fostering entrepreneurship. Two schools of thought have been advanced, with one suggesting that

entrepreneurs are successful regardless of governmental economic policies and the other implying that entrepreneurs are a product of favourable economic policies. Post-World War II New Zealand governments have tended to be supporters of the latter school of thought and have introduced policies that have attempted to stimulate business activity. The 1980s and 1990s saw the introduction of free market ideologies into New Zealand's economic policy (Cameron & Massey, 2000) and immigration policies which encouraged migrants with businesses skills and capability, while the turn of the century brought specific initiatives aimed at stimulating the growth of entrepreneurial enterprises. For example, the 'Partners for Growth' programmes (Jayne, 2000) and the government's 2002 sponsorship of a knowledge-wave summit aimed to promote a knowledge economy. Yet government initiatives over the years have been roundly criticised in many sectors of business and society as too much, too little or too late, depending on the social ideology of the commentator. Whether these policies go any way to meeting the needs of New Zealand's social and economic development is, of course, open to debate. Certainly, Bennett (1999) argued that New Zealand policy has traditionally taken the neo-Schumpeterian 'low road' to growth, of low cost structures and wage flexibility. He argued that the 'high road' approach of the innovative and the knowledge based economy, which New Zealand has struggled to encapsulate, is perhaps more suited to the entrepreneur.

The answer to understanding the New Zealand entrepreneur and developing effective means to support and encourage entrepreneurial behaviour may lie in New Zealand's diversity. This country's broad ethnic mix of Maori, Pakeha and immigrant populations, potentially throws up numerous entrepreneurial profiles. Perhaps the answer to a New Zealand entrepreneurial identity lies in the philosophical position of 'unity through diversity.' Therefore, this research requires the separation of entrepreneurs with respect to entrepreneurs' ethnicity and socio-cultural backgrounds, and only then can it attempt to understand the motivational and contextual factors pertaining to specific groups. Therefore, in the study of entrepreneurship, treating New Zealand entrepreneurs as one homogeneous group appears to be inappropriate, and with the divergent activities that constitute entrepreneurial behaviour, such an approach can only be problematic. Thus, there is the conundrum of an important sector of the community, the entrepreneurs, who cross cultural and ethnic boundaries, and who are inextricably intertwined with our economic and social fabric. Yet they are difficult to define or, for that matter, not clearly understood.

2.3.4 A Definition of Entrepreneurship

As already identified in this chapter, to conduct this research there is a need to establish some definitional parameters by which entrepreneurs can be studied. Yet our discussion of entrepreneurship, thus far, offers a broad conceptualisation as opposed to an all-encompassing definition. A succinct definition may not be possible or for that matter desirable, as concluded in the previous section. Within the confines of present thinking, it is misguided to strive for one clear and defining statement or theory that attempts to embrace the essence of the full entrepreneurship phenomena. Cooper (cited in McCarthy & Nicholls-Nixon, 2001) argued that teaching and research has applied a range of different definitions. The important issue, in his view, was that researchers should clearly state the definition being utilised in their study.

This study acknowledged the importance of identifying a definition of entrepreneurship (notwithstanding the limitation of any such undertaking) in order to establish terms-of-reference for the research on immigrant entrepreneurship. Clear definition allowed for the development of research instruments, sample selection and reporting. Therefore, this study refers to the simple GEM definition (Frederick, 2004). This description suggests that an entrepreneur can, in their simplest form, be defined as “someone who creates workplace settings for him or herself and for others” (p. 23). The definition includes attempts at new venture creation, growth within new ventures, or expansion of purchased ventures. It also infers that the employment of others - which this research has interpreted as essential to entrepreneurial activity - can include family and non-family members. In the main, a definition of ‘venture creation/acquisition, and expansion through the employment of others’ encapsulated those people who display entrepreneurial characteristics and who are involved in the practices of adding value and venture growth that are articulated in the existing entrepreneurial theory. This definition fits well with this study’s objective of understanding immigrant self-employment patterns within their settlement and adaptation process, while precluding sole operators who are not necessarily entrepreneurial. For example a taxi driver may be self employed but not entrepreneurial. This did raise the issue of confusion between the terms entrepreneurship and self-employment. In the past these terms have been used interchangeably (e.g. Kloosterman et al., 1999), however, this study refers to entrepreneurial activity as the subset of self employment: operation of small and medium sized enterprises and the employment of others. The definition also fitted well

within the New Zealand business context in which 98.7% of all businesses were classified as SMEs with less than 50 FTEs (Ministry of Economic Development, 2006). Finally the definition did not attempt to pre-empt any entrepreneurial characteristics or processes of the groups under study. As the objective of this study was the discovery of immigrant entrepreneurship factors, this definition allowed a non-judgemental starting point from which the broader theory (as alluded to previously in this section) could be infused into the analysis, as appropriate, as underlying factors were discovered. The issue that then remained before this study could be undertaken, was the establishment of a definition of entrepreneurship which also contains the ethnicity and immigration context.

2.4 The Definition of Immigrant Entrepreneurship

This chapter has identified the nature of and issues behind immigration and its impact on receiving countries such as New Zealand. It highlighted the complexity and multi-dimensional nature of immigration and as Fletcher concluded: “The challenge facing policy-makers now is to develop settlement policies that respond to these changes and that reinforce the overall objectives of immigration policy. How effectively that challenge is met will pay a big part in determining how much New Zealand and New Zealanders gain from immigration. It will also affect the way New Zealand’s multicultural society evolves and develops” (1999, p. 12). Therefore, a greater understanding of immigrant entrepreneurship – which identifies interrelationships with issues such as current ideology, settlement, family and ethnicity - offers vital knowledge for the understanding of immigrant entrepreneurship internationally, and gives valuable information for the continued development of New Zealand’s diverse society.

With respect to immigrant entrepreneurial participation, this study refers to the broad range of business activities undertaken by migrants of differing ethnic backgrounds, and their immediate offspring, in establishing themselves in their host country. To begin to understand the phenomenon, this study defined immigrant entrepreneurship as: *Immigrants or their immediate offspring, who have a specific ethnic identity, and who create work place settings for themselves and others, within their receiving country.* This study also defined the immigrant entrepreneur as referring to: *A person who engages in immigrant entrepreneurship.*

Whilst the term *immigrant* implies ‘migrating peoples’ it is noted that the definition has been extended to include New Zealand-born second generation for a number of reasons. Firstly because of the evolving selection of the sample under the grounded theory approach (see Section 4.1; p. 59). Secondly the extended definition takes into account the ‘immigrant factor’ and cultural influence that are often very strong within this cohort, and impacts on their entrepreneurial behaviours. Thirdly, it gives a stronger longitudinal perspective of immigrant adaptation and their entrepreneurial participation in their receiving country.

CHAPTER THREE

DISCUSSION OF METHODOLOGY

This chapter discusses the rationale and theoretical principles behind the methodological approach that was used in developing a model of immigrant entrepreneurship and analysing the commonalties and variances of immigrant entrepreneurship in different ethnic immigrant groups. As Patton stated “however analysis is done, analysts have an obligation to monitor and report their own analytical procedures and processes as fully and trustfully as possible” (2002, p. 434). Although this would suggest the need to simply explain the methodology used, this study takes the position that any discussion of methodology must be in the context of the current research axioms, practitioner expectations for business research relevance, and expected outcomes of the study in question. Furthermore, any such discussion should be supported by strong reference to the broader literature. It is in this context that this chapter identifies this study’s broader philosophical position, discusses the principles behind qualitative research, gives an in-depth explanation of the research methodologies (grounded theory and case study comparison), and concludes with a clear description and justification of the methodological tools and computer software packages used during the project.

3.1 Social Science and Management Understanding

The science of organisational studies involves understanding the social world that organisational researchers inhabit through exploring behaviours, experiences, symbols and such like (Stablein, 1996). The task of researchers is to report their findings and understandings through the publication of papers that add to the body of knowledge. Stablein (1996) suggested papers, based on research, are written for four key audiences: organisational scholars, teachers of organisational studies, students, and participants in organisations. Yet, how this discipline can satisfy the needs of all stakeholders in management and business research equally is a contentious one, when we consider the controversy created by the differing views of what constitutes knowledge (Locke & Golden-Biddle, 1997), and the relationship between the expectations of the key audiences for research (Davis, 1971; Rynes, Bartunek & Daft, 2001; Starkey & Madan, 2001).

The nature of research does not necessarily lend itself to a happy marriage between different audiences. To further explore this assertion it is helpful to clarify the nature of research. In his discussion of this topic, Kuhn (1970) argued that the research world is paradigm based. He defined a paradigm as “an achievement sufficiently unprecedented as to attract an enduring group of devotees away from competing modes of scientific activity, yet still sufficiently open-ended to leave all sorts of problems for the defined group of followers to resolve” (1970, p. 10), while Denzin and Lincoln (1998, p. 19) cited Guba (1990) as describing a paradigmic framework as a “basic set of beliefs that guides action.” Kuhn (1970) also argued that researchers whose work was based on shared paradigms were committed to the same rules and standards of their particular scientific practices. Therefore, academics may be viewed as members of a community that is expected to contribute to the development of knowledge within their paradigm - that is, research which ensures the maintenance of its beliefs, rules and codes of behaviour. Kuhn inferred that the “acquisition of a paradigm and of the more esoteric type of research it permits is a sign of maturity in the development of any given scientific field” (1970, p. 11). This is notwithstanding that the transition from one paradigm to another is part of the developmental pattern of a mature science. In reality paradigms are often in conflict with each other (e.g. the positivist and humanist research paradigms), are being constantly challenged, and hence evolving. For example, Page (2000) stated that qualitative research has not only gained currency in the battle with positivism but it has, in response to substantial intellectual and material changes, shifted inward onto itself to create a range of types inside the qualitative paradigm.

This would suggest that paradigms can encompass and adapt to the varied schools of management thought, but can also highlight the conflicting opinions on what constitutes ‘appropriate’ management research. The flexibility, while still holding to the expectation that a major task of research is puzzle solving within a particular paradigm, does however support the evolving management theory which requires innovative and diverse research techniques in dealing with new and complex management problems. This paradigmatic evolution is perhaps best exemplified by the stakeholder consideration of the business practitioner. Within the business sector there is a greater expectation of the transfer, as opposed to the development, of knowledge. Within the sector, there is a growing expectation among practitioners that the researcher experience, methods and ultimately ‘value-adding’ abilities have more importance than the theoretical basis from which the research was conducted (Goulding, 2002). Experienced executives are more interested in

concepts and ideas that can help them make sense of and deal with the problems they face on a day-to-day basis at work, as opposed to advocating paradigmatic preferences (Starkey & Madan, 2001). It may be argued, then, that academic and practitioner worlds do not match with respect to academic endeavour. Rynes et al. (2001) spoke of a fundamentally different frame of reference between these worlds, with respect to how research is arranged for 'sense making' and the types of information made available. Van Maanen (1995) referred to the need for academics to consider carefully the accessibility of their work and their styles of writing. An added issue may be that practitioners are unaware or unable to access research, lack skills in critical appraisal, or struggle with the report jargon (Le May, Mulhall & Alexander, 1998). This notion is reinforced by Rynes et al. (2001) who considered it problematic that as research methods have become more sophisticated, they have become less useful for solving the practical problems that management faces. Hence one theme in recent debate has encompassed the need for academics to build partnerships between themselves and user communities as a stepping-stone to meeting the double challenge of scholarly quality and practitioner relevance (Starkey & Madan, 2001). The fact remains that human knowledge and organisational destiny is interwoven (Cooperridge & Whitney, 2000).

The debate will continue to exist in business research as to whether, or by how much, academics should apply flexibility to the rules and standards for scientific practice within their paradigms in order to meet practitioner or other stakeholder needs. Academics are already deeply split as to whether they see collaboration with practitioners as having a positive or negative effect on the advancement of science, particularly in the business field. Yet forces of change are bringing pressures upon universities, with corporate providers emerging as providers in higher education (Rynes et al., 2001), increasing competition for students, higher demands from community groups, critical reflection amongst academics themselves and changing communication technology (Starkey & Madan, 2001). Furthermore, at a national government level, Rynes et al. (2001) pointed out that to meet the challenge of global competitiveness, public policy has also changed to encourage industry and academic cooperation. This political position coincides with an academic shift where many of the USA Academy of Management journals now place more emphasis on the relevance of 'research for practice' in conclusions to articles (Starkey & Madan, 2001). Research may, as a matter of course, become more practitioner focussed over time and, therefore, steer researcher output irresistibly toward that dual challenge of academic quality

and practical relevance. For this study, relevance became a significant issue which provoked much deliberation and reflection during the review of the research paradigms and qualitative frameworks. Hence the development of the methodology was challenging at times, as decisions reflected a desire to meet the dual challenges of academic and practitioner relevance and acceptance.

3.2 The Research Paradigm

Revisiting Kuhn's (1970) assertion, that it is the nature of research - as the development of knowledge - that refines or transforms paradigms, we should not lose sight of the position business research holds in our community, as we attempt to balance the needs of the various stakeholders - academic and practitioner. Starkey and Madan proposed that, "the primary usefulness of management thinking lies in the development of fundamental ideas that might shape managerial thinking, not in the solution of immediate managerial problems" (2001, p. 4). An imbalance will therefore inevitably exist between the short-term needs of management practice and long-term aspirations of research that enhance our managerial thinking. Hence the challenge for researchers is often in the development of methodologies which meet diverse stakeholder needs. In essence, this suggests 'horses-for-courses' in applying 'stakeholder specific' methodologies suited to individual management projects. In the context of this study a 'specific management problem' was not dealt with, rather it contended with the broader understanding of the phenomenon of immigrant entrepreneurship. Therefore, a methodology was firstly applied which could generate broad theory about and greater understanding of the phenomenon. Secondly a reporting style was employed that could in turn serve the dual purpose of academic and practitioner relevance.

A constant challenge is that researchers may become perplexed by the numerous conflicting and compatible approaches to conducting research projects. Within social science there are different approaches to how effective research may be carried out, governed by their own particular canons. To utilise Kuhn's (1970) terminology again, these approaches may be explained as methodological paradigms. Taylor and Bogdan (1998) described two major research paradigms that have dominated discussion and research application in the social sciences, positivist and humanist.

Positivist

The positivist approach refers to quantitative research methods and dates back to the nineteenth century. It seeks facts or causes of social phenomena by using statistical procedures or other means of quantification. Positivists have philosophical foundations arguing that science should avoid metaphysical concepts and rely only on 'observables' and that only statements that could be shown to be true or false should be treated as having cognitive meaning (Goulding, 2002). Their studies emphasise measurement and analysis of relationships between variables in a clearly structured and controlled environment. The structured and measurable nature of this approach has led to the wide spread positivist conviction that only quantitative research data are ultimately valid, or of high quality (Guba & Lincoln, 1998).

Humanist

The humanist approach, on the other hand, subscribes to mainly qualitative research methods and has a long history in anthropology, philosophy and sociology. It is dedicated to understanding the human condition in a real life context and examining how humans experience their worlds. Denzin and Lincoln argued that "this means that qualitative researchers study things in their natural settings, attempting to make sense of, or interpret, phenomena in terms of the meanings people bring to them" (1998, p. 3). Hence in this methodology reality is what people perceive it to be - their internal ideas, feeling and motivations. Qualitative methodology produces descriptive data from a person's own written or spoken words and observable behaviour. It develops concepts, insights and understanding from patterns in data rather than collecting data for hypothesis testing or for supporting preconceived theoretical positions (Taylor & Bogdan, 1998). Furthermore, it stresses the relationship between the researcher and what is being studied, and acknowledges the situational constraints which shape the study (Denzin & Lincoln, 1998). The literature in anthropology and sociology prescribe *fieldwork* as a useful term for describing qualitative research methodology (e.g. Tolich & Davidson, 1999). This is the technique of social research that is a combination of observation and unstructured interviewing of people in the research setting. They contend that these verbal accounts allow us to learn about the social world. In application in the field, qualitative interviewing is considered to be flexible, interactive and dynamic. This is in contrast to the positivist's structured research tools for interviewing such as opinion polls and quantitative

questionnaires. These are more suited to large groups of people, use standardised formats, and require researchers to remain removed from the participants.

The positivists have long held the high ground in methodology as their canons of research practice have dominated the field of management, along with many of the other humanities. Clear procedural rules and accepted validity and reliability measures make quantification and evaluation relatively easy and meet a fundamental human need for order and structure. Adding to the argument, Fielding and Fielding (1986) contended that the caricature of qualitative research is that it is 'soft' whereas quantitative research is the 'hard' or factual research, and go on to say that while qualitative researchers call quantitative researchers "number-crunchers" the latter refer to the former as mere "navel-gazers." Whilst there has been a growth of naturalistic methods, the positivists often resist this change, as it is perceived as challenging the heart of their rules and standards for scientific practices. Hence there is still a requirement, in many academic circles, for qualitative researchers to justify their methodologies in positivist terms, whereas, the relevance of such justification is adamantly disputed by humanists. Thus the debate continues with respect to academic validity and stakeholder relevance of the differing methodological approaches. As Goulding concludes:

From a review of the literature it is quite clear that this book could be devoted to analysing the ongoing debates surrounding positivism versus humanistic methods of enquiry. The field is riddled with opponents levying attacks against advocates of the opposing tradition. On the one hand, many positivists perceive qualitative research to be exploratory, filled with conjecture, unscientific, value laden and a distortion of the canons of 'good' science. On the other hand, humanists or interpretive researchers argue that positivism in the social sciences is pseudo-scientific, inflexible, myopic, mechanistic, outdated and limited to the realm of testing existing theories at the expense of new theory development. This debate is a widespread one within the field of management, and consumer behaviour in particular, as it is in any of the humanities" (2002, p. 11).

This study takes the position that rather than disputing the merits of one methodology as opposed to the other, which appears to be the domain of opposing camps, the development of knowledge can best be assisted by ensuring there is an accepted place for both in the

field of research. Goulding (2002) pointed out that, in the midst all the controversy over methodological superiority, it would seem appropriate to argue that the first requirement of social science is fidelity to the phenomena under study, and not to any set of methodological principles, regardless of how strongly these principles are supported by philosophical arguments. Fielding and Fielding (1986) clearly see a link between quantitative and qualitative methodologies, and stated that researchers must recognise that either work bears within it indirect reference to the existence of the other. They further argue that within the changing intellectual landscape, an allegiance to one or other paradigm seems less important than devising worthwhile and manageable research projects.

3.3 A Qualitative Research Strategic Framework

The choosing a methodology for this study was not without its challenges. As Sousa & Hendriks, (2006; p. 322) explain “[t]he selection of a method from a vast array of competing alternatives is not a trivial exercise. Rather, the choice of a research strategy is contentious because it involves a coherent body of key decisions regarding the way, for example, to collect, analyze, and process data, which are, to a large extent, inextricable from the ontological and epistemological commitments of researchers.” Furthermore, they go on to say that universities, public research centres, and scientific researchers no longer control the definition and production of scientific knowledge by themselves and need to alter the way research is conceived, performed, managed, and evaluated, which reflects this studies earlier concern with achieving both academic and practitioner relevance in research.

The rationale behind this management research project was that the immigrant population represent a significant group within our community, yet little attention has been given to understanding the influences on their entrepreneurial patterns. This study, therefore, set out to recognise and explain the complex internal and external factors that influence different immigrant ethnic groups with respect to entrepreneurial decisions, choices, and subsequent business performance. As discussed in the introduction chapter, internal factors relate to personal characteristics, family, cultural factors, values etc, and external factors relate to social-cultural, legal and political issues in the receiving country and homeland environments. A methodology was therefore required which met the inductive (i.e. investigation through discovery) needs of this study.

Notwithstanding the merits of the positivist approach and its prominence in the development and practice of research in the social sciences, this study took a humanist approach in establishing a methodology. This approach emphasises the understanding of peoples' perspectives and the examination of how they experience the world around them. Furthermore, this study investigated the phenomenon of different entrepreneurial behaviours among relatively small groups of New Zealand ethnic immigrants, which naturally lent itself to humanist based methodology (as discussed in the previous section).

In applying a humanistic approach, a qualitative study was undertaken which sought to understand immigrant entrepreneurs based on their own perspectives of the social, environmental, cultural and business frameworks in which they were embedded. It attempted to make sense of the phenomenon in terms of the meanings the participants in the study bring to their embeddedness (Denzin & Lincoln, 1998), so as to understand the immigrant entrepreneurs' reality within their interpretation of the multitude of influences on their lives. Therefore, this study created a rich insight into human behaviour which would not be possible through purely quantitative techniques (Hall & Hall, 1996). As Guba and Lincoln reflected: "Such grounding is particularly crucial in view of the mounting criticism of social science as failing to provide adequate accounts of nonmainstream lives" (1998, p. 198). At this point it should be recognised, however, that this increase in depth of understanding at a personal level does reduce its generalisability compared to quantitative methods (Patton, 2002).

In the application of qualitative research it is common to deploy a wide range of interrelated methods. Denzin and Lincoln (1998) identified multiple methodologies as a bricolage, in that the researcher as the bricoleur - 'Jack of all trades' or a professional 'do-it-yourself' person - uses whatever tools are needed, and if new tools are needed they should invent them. They argue that no single method can grasp the subtle variations in ongoing human experience and state, "qualitative researchers deploy a wide range of interconnected interpretive methods, always seeking better ways to make more understandable the worlds of experience that have been studied" (1998, p. 24). Patton (2002) never-the-less, points out that a well-conceived strategy with overall direction is paramount. He argues the need for emergent design flexibility, as naturalistic inquiry cannot usually be completed prior to the completion of fieldwork. He also cautions that there may be a need for a level of design

specification in advance, especially with respect to doctoral committee or research funding requirements.

With this in mind, this study was conscious of the flexibility needed to understand the world of immigrant entrepreneurs, as the topic was broad and the study's objective was to allow for the phenomenon's evolution of its own investigation parameters. Therefore it required a clear research strategy which was open-ended enough with respect to the fieldwork. This study was also mindful of the need for academic and practitioner relevance for the research outputs. To meet these needs, this study employed grounded theory (Glaser & Strauss, 1967) as an inductive approach to uncover issues related to, and construct a profile of, the New Zealand Immigrant Entrepreneur from the perspective of viewpoints, opinions and experiences of the immigrant entrepreneurs themselves. Case analysis (Yin, 1994) was then employed to profile different ethnic groups' experiences and perspectives with regard to entrepreneurial activity. The case study analysis applied triangulation as an alternative to validation rather than a tool for validation (Denzin & Lincoln, 1998). Sampling for the cases was based on identifying information-rich cases that yielded insights into immigrant entrepreneur activity in New Zealand from immigrant entrepreneur interviews (from the grounded theory study), entrepreneurship and immigration literature, and expert commentary from ethnic community leaders, in an attempt to develop an inductive in-depth understanding of the immigrant entrepreneurship activities within different ethnic groups. These methods and the sampling technique are discussed in detail in the following sections.

3.4 Grounded Theory

Strauss and Corbin refer to qualitative research as “any type that produces findings not arrived at by statistical procedures or other means of quantification” (1998, p. 10), and hence the possibilities appear enormous. The challenge is twofold, as identified previously: (1) match the appropriate methodology to the research and (2) ensure academic quality and practical relevance. With these objectives in mind, this study looked to use a methodology that could induce theory in a subject area currently lacking theoretical development. Hence it utilised grounded theory, as this approach adopts an inductive process of ‘discovering’ theory from data collected. The development of theory required coming from a position of

little knowledge and an expectation of not being influenced or biased by existing knowledge or theories related to the broader concepts of entrepreneurship or migration. Goulding identified the relevance of applying grounded theory in such studies in saying “[e]ssentially, the methodology is most commonly used to generate theory where little is already known, or to provide a fresh slant on existing knowledge” (2002, p. 42).

Understanding immigrant entrepreneurs does mean engaging them in their own environment, therefore Schatzman and Strauss proposed that a researcher “*must* get close to the people who they study and must understand that a subject’s actions are best comprehended when observed on the spot – in the natural, ongoing environment where they live and work” (1973, p. 5). This naturally lends itself to grounded theory as it engages the researcher in the field: collecting data and making use of field notes, interview transcripts and current literature, as new concepts are developed and refined. Goulding (2002) added further weight by pointing out that grounded theory has been accepted as a suitable methodology in the field of management.

The American sociologists, Glaser and Strauss, developed grounded theory in the 1960s in reaction to their concern about the positivists’ approach of taking ‘grand theories’ and seeking to apply them to new situations. They argued that collecting data to test theories was limiting the development of knowledge. They further argued that theory could, in fact, evolve from data (Glaser & Strauss, 1967). Pidgeon and Henwood supported this position, stating that grounded theory was able to “liberate sociological analysis from the limitations imposed by a preoccupation with repeatedly testing a few speculative, ‘grand’, or large-scale theories” (2004, p. 625). They pointed out that a researcher can apply theoretical sampling, which simply begins with a partial framework of basic principals, concepts or major features of the situation under study. Then through the drawing of ongoing conclusions, the approach engages a sample group based on its relevance to the study (Glaser & Strauss, 1967). In the case of this research, the group would be participants identified as adding to the theoretical development on immigrant entrepreneurs.

The rationale for using grounded theory in this study is that it is a careful and highly systematic general methodology that allows for the collection and analysis of any sort of data. Its purpose was to generate, as opposed to verify theory describing and explaining basic common patterns in immigrant entrepreneurship, by continuously comparing data.

Grounded theorist's argue that the world is socially organised in latent patterns, which emerge if researched properly (Sousa & Hendriks, 2006). To this end grounded theory is helpful in establishing mature theorising, as it can be used to bring news perspective and theories to the already established theoretical area of immigrant entrepreneurship. As this study was interested in the experiences and behaviours of immigrant entrepreneurs themselves, grounded theory is very effective when the participants' experience and viewpoints are vital (Sousa & Hendriks, 2006; p. 329). Furthermore grounded theory can combine and integrate data collection from a wide range of sources, including secondary data, to give context and substance to the analysis (Gerson, 1991; Glaser, 1998).

These arguments do not suggest that other qualitative methodologies cannot achieve similar objectives. In fact, care should be taken to decide which method best suits an individual researcher's personality and preferred mode of working (Goulding, 2002). Within this array of methodological options, grounded theory has gained credibility for its relevance in application to the humanities:

“People with real problems such as in education, health and business are becoming disenchanted with preconceived research that forces findings which are independent of the reality and relevance they wish explained. The move toward grounded theory with qualitative data starts to give fateful answers and goes hand in hand with the consciousness revolution which requires just what it says, consciousness” (Glaser, 1998, p. 45).

In identifying an appropriate methodology for the development of a model of immigrant entrepreneurship, this study also acknowledged that theories of immigrant entrepreneurship do exist in the international literature, and that these could be used as the foundation for the construction of many qualitative research frameworks as an alternative to grounded theory. However, such theories as culturalist and structuralist (Masurel et al., 2004) or mixed embeddedness (Kloosterman, Van der Leun, & Rath, 1999) have already been applied in other studies (e.g. Dhaliwal & Kangis, 2006), and existing theories have been found to restrict or preclude the discovery new concepts (e.g. Peters, 2002; Razin, 2002). Therefore, the body of existing knowledge on immigrant entrepreneurship, though useful, could not account for the complexity and dynamism this study sought to present. The experiences and viewpoints of immigrant entrepreneurs with regard to their backgrounds, settlement and cultural issues, and business perspectives were viewed as vital to the theoretical

development of this phenomenon. Adopting any existing interpretation of immigrant entrepreneurship could fail to recognise and account for the concerns and behaviours of immigrant entrepreneurs themselves. Grounded theory, on the other hand, brings new theoretical modelling to immigrant entrepreneurship, which could be used as a template for future immigrant entrepreneurship research. This approach draws on elements of the existing literature for comparisons and theoretical development, as opposed to a theoretical starting point – as in other qualitative approaches - which may have restricted or precluded new concepts. In using grounded theory in this study the literature is not neglected in order to avoid researcher contamination, but approached initially from a broad range of related areas (see Chapter Two) as opposed to the specific literature on immigrant entrepreneurship. As Suddaby (2006, p. 635) states “grounded theory methodologists describe a number of ways to prevent this from happening [contamination of researcher’s perspective]. One is to avoid research that adheres too closely to a single substantive area and, instead, draws from the several areas that are frequently reflected in a given daily reality.” A grounded theorist holds the prospect of generating a theory that both transcends and synthesizes the literature at the same time, as it takes on greater scope and depth than previous research may have done (Glaser, 1998). Furthermore Glaser and Strauss (1967) suggested that grounded theory offered a compromise between extreme empiricism and complete relativism. This could be achieved by articulating a middle ground in which systematic data collection could be used to develop theories that address the interpretive realities of participants in social settings (Suddaby, 2006). Whereas, other qualitative methods “often shy away from identifying causal links, often stopping short of making conceptual links that result in an integrated “ (Goulding, 2002; p. 45), therefore they seldom provide the setting for identified patterns or themes which are fundamental to the theoretical discovery. As this study’s model development is based on the perceptions and experiences of immigrant entrepreneurs, which could be used as a template for future research, this fitted the pretext that grounded theory is less concerned with subjective experiences of the individual participants per se but instead is focused more on how such subjective experiences can be abstracted into theoretical statements about causal relationships between participants (Suddaby, 2006), hence establishing a conceptual framework for the examining of immigrant entrepreneurship.

3.4.1 The Evolution of Grounded Theory

The evolution of grounded theory since the original text by Glaser and Strauss (1967) is an intriguing one. In later independent contributions by the original authors, the theory evolved into ‘Glaserian’ (considered to remain true to the original work) and ‘Straussian’ (accepting of pre-conceptualisation and hypothesising) schools of thought as to what constitutes grounded theory. Further derivatives and variations have evolved during its application over the ensuing decades, to a point where Dey (1999) flippantly stated that there were probably as many versions of grounded theory as there were grounded theorists! When the original authors are in such disagreement as to what constitutes the ‘correct’ or ‘authorised’ version of grounded theory, it is difficult to apply a ‘definitive method’ to any research project. Dey proposed that it may be more productive to explore its fundamental principles and the methodological issues that have arisen during its evolution. Subsequent writers suggest that the various derivatives of grounded theory have their place in research practice “such diversity in use suggests that ‘grounded theory’ today is best viewed not as a unitary method but as a node, nexus or focal point for discussions that can and should intersect with far more wide-ranging ones about the strategies and methods of qualitative inquiry” (Pidgeon & Henwood, 2004, p. 626).

The literature suggests that underpinning all application of grounded theory are fundamental governing principles. In grounded theory theoretical development should be derived from data which is systematically gathered and analysed through the research process. The intention is that data collection, analysis and eventual theorising stand in close relationship to one another (Strauss & Corbin, 1998). Furthermore the original authors (Glaser & Strauss, 1967) asserted that a research project should not begin with a preconceived theory in mind (unless their purpose is to elaborate and extend existing theory - Straussian view only). Instead, the researcher begins only with a phenomenon in a particular area of study and through the research process allows the theory to emerge from the data. Glaser (1998) pointed out that this does not fit the traditional research model of a preconceived theoretical coding or empirical units. Glaser and Strauss’s original presumption was that theory derived from data is more likely to resemble the ‘reality’ of the situation being studied than any positivist approach (which they argued, forces data to meet preconceived assumptions). Theories developed this way are more likely to offer insight, enhance understanding, and provide a meaningful guide to future action - which may

include quantitative studies to test theoretical models. The authors were not opposed to quantitative research, as such, but were concerned with its exclusive or inappropriate use in numerous research fields.

The philosophy behind grounded theory assumes that each research project is a unique entity and as such requires the adoption of methodology that meets the two goals of (1) academic validity and (2) relevance to the research area. In later writing, Glaser (1998) asserted that grounded theory can be automatically modifiable in keeping up with changing organisational forms. As Fisher recognised, “it would be unreasonable to assume that only its originators may develop and modify grounded theory” (1997, p. 10). Although Goulding pointed out that the guiding principles should not be lost: “[w]hilst it may have dated somewhat since its publication, the guiding principles and procedures are explained in detail and endure as the essential guidelines for applying the method” (2002, p. 48). Towards this end, this study adopted the underlying principles of grounded theory as espoused by Glaser (1992, 1998) which are outlined in the next section, but did endeavour to engage the flexibility it is afforded in much of the recent literature. Goulding aptly gave logical closure to the debate on whether strict adherence to principles or adaptability of grounded theory is appropriate in returning to the ‘horses-for-courses’ analogy “[g]rounded theory was originally developed as a methodology for sociologists. However, as a general methodology it has been adopted within the disciplines of psychology, anthropology, nursing, social work, education and more recently management. This has meant the adaptation of the method in ways that may not be completely congruent with all of the original principles” (2002, p. 48).

3.4.2 Methodological Principles of Grounded Theory

In this study grounded theory has been adapted to meet the research objectives (see Chapter Four), however, governing principles of the original Glaser and Strauss (1967) work are adhered to, and explained as follows.

A qualitative research tool

Grounded theory is simply a tool for qualitative research and as such is a methodological option as opposed to being associated with a specific qualitative genre:

“I cannot say it often enough: Grounded theory is merely a methodological option, and therefore to try to wed it to another methodology dilutes its generative power and complexifies its rather simple inductive approach. It is what it is, and works with any data, as all is data for generating. Wedding it to phenomenology, ethnography, hegemony, post-positivism, analytic inductions, action research etc, distorts true emergence required for grounded theory generation” (Glaser, 1998, p. 94).

Suspension of knowledge

Underlying the application of grounded theory is the requirement of the researcher to ‘suspend their knowledge’ (Glaser, 1998). This is not to say that the researcher would enter a field of study with no knowledge on the subject at all, an ‘empty head’ so to speak. The researcher should put aside any preconceived perceptions and refrain from attending to the existing literature, in order to examine the phenomena under study with an open mind. All possibilities are open and the forcing of data to meet some preconceived biases is negated. The researcher is concerned with discovering what socially organises the behaviour in the substantive area under investigation, rather than testing whether what is known or surmised is true or not. Williams (2002) highlighted the researcher’s stance in grounded theory in describing him or her as being able to have an objective relationship with the data being studied. He stated that they will have an interest in “any phenomenon underlying the data under study, rather than an interest in the data itself or its relationship with a presupposed hypothesis” (Williams, 2002, p. 49). Schatzman and Strauss further highlighted the position taken by this study as being contrary to the positivist paradigm in saying “[c]onventional wisdom suggests that a researcher prepare a relatively articulate problem in advance of his inquiry. This implies that he would not, or could not, begin his inquiry without a problem. Yet, the field method of discovery may lead the researcher to his problem after it has led him through much of the substance in his field” (1973, p. 3). Although this may not fit the ‘purist’ canons of scientific research as espoused by the positivist paradigm, Schatzman and Strauss (1973) further reinforced the argument that researchers should concern themselves more with what specific operations might yield the most meaningful information and less with whether their techniques are scientific. Notwithstanding, grounded theory does offer a technique by which collected data is constantly compared, coded and analysed in order to

develop clear categories and properties that form the basis of the ultimate theoretical development.

Theoretical sampling

Grounded theory also introduces the concept of theoretical sampling, which is the constant re-directing of the sample selection by the developing categories and emerging theories (Goulding, 2002). Dey (1999) stated that the aim is to generate theory rather than apply it to particular agencies or populations, thus we need not be unduly concerned with random sampling techniques or similar procedures. However, qualitative projects may contain other purposeful sampling besides theoretical sampling. For example in this study we also consider 'homogeneous purposeful' sampling by which we mean sampling that has a preconceived set of dimensions (i.e. criteria) which are set prior to the study's commencement (discussed in detail in the next chapter). Theoretical sampling, on the other hand, is the product of ongoing analysis and therefore cannot be predetermined. In grounded theory it is quite acceptable to have an initial purposeful starting point from which theoretical sampling then emerges. This is reiterated by Goulding in their re-examination of the principles of grounded theory:

“Glaser and Strauss suggest that sampling should be centred around groups. The researcher should systematically start sampling in groups that give data on each possible direction. The process starts with open coding of the data, which leads to sampling in all directions until the discovery of core variables which are found to reoccur consistently in the data. When this stage is reached sampling then becomes selective and focuses on the issues which are central to the emerging theory” (2002, p. 68).

This process continues until no new ideas are being generated by the data (Dey, 1999). When no new evidence emerges, that can underpin the theoretical development, then the researcher has achieved 'theoretical saturation' (Goulding, 2002) and no further sampling is required.

Constant comparison

A further principle of grounded theory is the use of 'constant comparison' (Glaser & Strauss, 1967) which involves constantly comparing data to look for emerging patterns and

themes. This process facilitates the identification of concepts that underpin theoretical development. This is aptly explained by Goulding in citing Spiggle (1994): “Comparison explores differences and similarities across incidents within the data currently collected and provides guidelines for collecting additional data. ... Analysis explicitly compares each incident in the data with other incidents appearing to belong to the same category, exploring their similarities and differences” (2002, p. 69).

Memos

Throughout the data collection, analysis, and theoretical development, grounded theory utilises reflectivity. This tool termed ‘memos’ is defined by Glaser (1992) as the theorising write-up of ideas as they emerge. This is an important tool in grounded theory as it allows a researcher to register thoughts, ideas, questions and feelings at any time throughout the research journey, which can then be revisited at a later date. Goulding (2002) suggested ideas that can occur away from the data and thus should be written down (as memos) when the ideas strike. Glaser (1998) went as far as to suggest that memos are a core stage of the process and without their use a researcher is in fact not engaging in grounded theory. He stated that without memos there would be no ideas or theoretical formulation and, therefore, reduced the possibility of generating further questions or further theoretical sampling.

Continuous data collection and analysis

Grounded theory engages in systematic data collection and comparison, in conjunction with memo writing. This process is a means of developing concepts (a conceptual element of theory), categories (a conceptual breakdown of elements of theory), and properties (fundamental building blocks of theoretical development), and then weaving them into a systematic relationship (theory construction). Strauss and Corbin (1998) argued that there are two activities that are essential to theory development through grounded theory - firstly, to ask effective questions that advance understanding of theoretical issues and secondly, to make constant comparisons of the data. This strategy of questioning and comparative analysis, as a means of generating theory, puts great emphasis on theory being a process that is an ever-developing entity, not a perfected product. This research is not expected to provide a perfect description of a situation, but rather develop a theory that attempts to explain the relevant behaviours identified in the situation (Glaser & Strauss, 1967). As Goulding (2002) pointed out, the researcher is interested in patterns of action and interaction among various types of social units, which reaffirms that the qualitative

researcher embarks on a journey of discovery rather than one of verification. This is considered to be a critical distinction which Morse (1994, cited in Goulding, 2002) feels challenges the qualitative researcher to push further and take risks in order to contribute. A further feature of a grounded theory strategy, as identified by Glaser and Strauss (1967), is the importance placed upon the close interplay of data analysis and data collection as the method of reaching theoretical saturation. Pidgeon and Henwood (2004) referred to this as a ‘flip-flop’ process between collection and analysis. Therefore during the data collection and analysis there will be a continual refinement of the categories and properties. The idea is to look for patterns and reoccurring events in the data through comparing data against each other (Goulding, 2002).

Literature review

Grounded theory also takes a rather unique approach to the literature review. The original premise of Glaser and Strauss (1967) was that the researcher should literally ignore the literature on the area under study so as to insure that emergence (discovery) of concepts that were not contaminated by preconceived ideas or theories. Schatzman and Strauss (1973) reaffirmed this notion in stating that the discovery process and questions raised by a researcher need not be related to any prior theory. Strauss and Corbin, however, in their later version of grounded theory, took a more flexible attitude to the use of prior knowledge by saying that there is a difference between an open mind and an empty head. To analyse data, researchers need to use accumulated knowledge, not dispense with it, as “the issue is not whether to use existing knowledge, but how” (Dey, 1993, p. 63 cited in Strauss & Corbin, 1998, p. 47). Strauss and Corbin pointed out that most researchers bring a considerable background of literature to a research problem and that it is a question of how this can be used to enhance rather than restrain the development of theory. Furthermore, literature can help in such areas as formulating questions, defining areas for theoretical sampling, and confirming findings. Glaser, in response to Strauss and Corbin’s work, affirmed the importance of literature, but saw it as having a different use in the analysis process in saying: “The literature is discovered just as the theory is. Once discovered, the literature is compared as simply more data,” (1998, p. 69). He argued that if grounded theory is done according to the governing principles of the original 1967 text, the researcher should not surmise beforehand what they may uncover or what literature will apply. Hence Glaser made a case for the need to suspend one’s knowledge in the interim. He inferred that literature is a two edged sword in which the more we know the less open we are to new

knowledge. Glaser (1992) had, however, previously conceded that literature does play an initial role in grounded theory - but in unrelated fields for comparative purposes, reviewing techniques of model development and studying theoretical writing styles. In discussing the opposing views as to whether or not literature contaminates discovery, Goulding offers support for 'some' prior knowledge in saying grounded theory "should not be misinterpreted as commencing from a position of total ignorance, rather the researcher should read in related areas from the start to allow the data to direct the literature to inform the emerging theory and vice versa" (2002, p. 165).

3.5 Case Study Analysis

In order to develop a complete picture of the research phenomenon, multiple methodologies can be applied to offer alternative or comparative perspectives, and additionally give greater depth to the research. This study took the position that greater understanding of entrepreneurial activity in individual ethnic groups would benefit from a case analysis which complemented the grounded theory methodology. Case study can be used as a methodology because it is considered to be useful in furthering understanding of a particular phenomenon or issue (Stake, 1995). The flexibility of the methodology allows for the development of cases that can be as diverse as individuals, groups, organisations or events (Patton, 2002). Cases may also be simple or complex (Stake, 2000). Whatever form these cases may take, they are considered to be units of analysis and therefore are usually determined during the design stage, and become the basis for purposeful sampling in qualitative research (Patton, 2002). Like most research instruments, case study design has protocols, which must be followed, as to how the research should be conducted. Many of the protocols are specific to case analysis because it represents a process and output of a product - the case study. Patton clarifies this point in saying: "The purpose is to gather comprehensive, systematic, and in-depth information about each case of interest. The analysis process results in a *product*: a case study. Thus, the term *case study* can refer to either the process of analysis or the product of analysis, or both" (2002, p. 447). In constructing a case study design, Yin (1994) identified five components as especially important; a study's questions, its propositions, its unit(s) of analysis, the logic linking the data to the propositions, and the criteria for interpreting the findings.

Firstly the *study's question(s)* refers to the fundamental problem the research is dealing with, and in case study research this deals with 'how' and 'why' issues. These questions are more explanatory and deal with operational links which need to be traced over time (Yin, 1994), rather than dealing with 'what' questions that translate into frequencies or records of incidence. Yin (1994) concluded that the research strategy must match the question, however, if the researcher is predisposed to pursue a certain strategy then they must ensure the question is framed to match that strategy appropriately.

The term *proposition(s)* relates to the intended area of examination within the scope of the study. Yin (1994) argued that 'how' and 'why' questions do not always point to what should specifically be studied and therefore a researcher needs to state some propositions to clarify direction. These propositions should not only reflect important theoretical issues, but also direct the researcher as to where to look for relevant evidence.

The *unit of analysis* deals with the problem of defining exactly what the 'case' is, which can be problematic at the outset of a case study research project. A 'case' may be an individual, a group, an organisation, an industry, or an event. Problems can also arise with respect to determining the beginning or end of a case. This issue must be dealt with in establishing the study as nothing is more important than the correct selection of the case studies (Stake, 2000). To manage this, Yin (1994) offered the general guide that the unit of analysis (the case) is related to how the research questions are defined. He argued that if the research questions do not favour a particular unit of analysis then the questions are probably too vague or too numerous, and there may be problems conducting the case study. Yin also suggests that once a case has been established there is a need for other clarifications within the unit. Decisions need to be made with respect to the person(s) to be included or excluded, the time boundaries, and the specific geographic boundaries, thereby determining the limits of the data collection and analysis.

The final two steps, *linking data to proposition(s)* and *criteria for interpreting the findings*, represent the data analysis steps and are the least developed in case study research (Yin, 1994). Linking of the data to the proposition can be achieved in a number of ways, none of which are clearly defined. Campbell (1975) in Yin (1994) suggested an approach of 'pattern-matching' whereby several pieces of information from the case are related to a specific proposition. Similar problems exist for interpreting the findings as there are

currently no precise ways of setting the criteria for interpretation. According to Yin the researcher should hope that different patterns are sufficiently contrasting, so that the findings can be interpreted effectively.

To overcome some of these deficiencies, this study utilised data triangulation (Stake, 2000) for pattern matching and constructing propositions. Triangulation ensures that a variety of data sources are used, because studies that only use one data type are more vulnerable to errors linked to the particular method, whereas studies that use multiple methods or multiple data provide cross-data validity checks, making them far more robust. In the strictest sense, however, this study used triangulation as an alternative to validation rather than a tool for validation (Denzin & Lincoln, 1998).

3.6 Computer-assisted Qualitative Data Analysis Software

In the context of grounded theory, coding can be referred to as the means by which chunks of data can be stored in categories that are developed by the researcher in an ad-hoc fashion, through the interplay of data collection and analysis. This coding process is the central prerequisite for the constant comparison in grounded theory (Kelle, 1998). As new coding is undertaken the incidents are compared to existing categories to see if they fit or if new categories need to be formed. To discover new theory and to develop new insights, it is important that a diverse range of codes are developed, because the danger in such studies is that searching for a consistent and stable coding scheme early in the investigation risks blocking the pathway to discovery (Kelle & Laurie, 1998). In fact, the coding scheme should become more concrete and structured in the later stages of the ongoing analysis process, that is, saturation within the so called flip-flop¹⁰ process of grounded theory (Pidgeon & Henwood, 2004). Furthermore, grounded theory is not just about isolating and naming categories, as it dimensionalises the categories and interprets their conditions and interactions with each other as the researcher strives towards theoretical discovery (Lonkila, 1998). The problem that arises, then, is the proliferation of categories, comparisons, interpretations and interactions that may occur and therefore create data overload or

¹⁰ The 'flip-flop' refers to grounded theory's constant adjustment back and forth between data collection and data analysis.

constricted analysis. These problems can be detrimental to good research, especially when manual storage and retrieval systems are used.

A means of dealing with these problems is to use computer-aided qualitative data analysis software (CAQDAS). This software has gained considerable popularity among qualitative researchers in recent decades (Bazeley & Richards, 2005; Fisher, 1997; Gibbs, 2002; Kelle, 1998). In fact, grounded theory has exerted a particularly strong influence on the development of CAQDAS (Lonkila, 1998), although it is not without its sceptics who have expressed concerns regarding the quantifying nature of computer software application (e.g. Glaser, 1998). Some concern has also been expressed that some of the close contact experienced in qualitative research may be threatened by the computer, although in raising this point and other concerns, Fisher (1997) argued that the introduction of the tape recorder into field settings in the 1970s created similar speculative fears that the technology might dominate methodology. Much of the fear stems from not fully understanding the role of technology such as CAQDAS.

Qualitative analysis software may be likened to a database, hence the management of large amounts of coded data is simplified and in many cases can resemble quantification. The software offers capabilities far beyond pure database programs (Gibbs, 2002). It enables the researcher to keep track of all codes, but also allows the tracking of hunches and ideas - which, for example, may be collected in memos within grounded theory. It also gives easy access to data so that varying searches can be carried out and data can be examined or re-examined as required. The software also gives the researcher the capability to handle the conflict of context and comparison effectively. That is to say, the researcher can extract data segments for comparison purposes, but if required, can easily recover the full context from which the data segment originated (Dey, 1999). Context, therefore, need not be lost when we categorise, which is a significant danger with manual systems. Dey also points out that CAQDAS improves the facilitation of linking, by inferring relationships between categories and linking factors in the data to particular events with respect to cause or consequence. Therefore, CAQDAS is not and should not be viewed as a purely quantification tool.

As a cautionary note, Gibbs does warn about misinterpreting the role of CAQDAS as the methodology rather than a tool “in the same way as a word processor won’t write a

meaningful text for you, but makes the process of writing and editing a lot easier, using computer-assisted qualitative data analysis software can make qualitative analysis easier, more accurate, more reliable and more transparent. But the program will never do the reading and thinking for you” (2002, p. 10). CAQDAS does have a wide range of tools for analysing, interpreting, summarising and reporting, but it is the responsibility of the researcher to apply these to suit their methodology, rather than alter the methodology to try and utilise all the tools. Some researchers have also tried to infer that a higher level of rigor can be achieved by using CAQDAS, or that software will somehow improve the work by its presence alone (Gibbs, 2002). This is not the case, and researchers must not lose sight of the need to ensure that human thinking (Fisher, 1997) and human endeavour is at the heart of what the computer facilitates. CAQDAS is and will remain a useful tool, nothing more, and should never gain greater significance than the original objectives of the research project.

3.7 Synopsis of Methodology

This chapter discussed the philosophical position that underpinned this study’s development of the methodological approach - that methodology must be in the context of the current research axioms, and should meet academic and practitioner expectations for research relevance. It outlined the rationale behind adopting grounded theory and case study analysis as suitable inductive approaches to: (1) the development of a model of immigrant entrepreneurship which is grounded in the understanding of the entrepreneur’s experiences and (2) an investigation, through case study comparison, of the commonalities and variances in entrepreneurial behaviour between different ethnic immigrant groups. This chapter also argued the merits of using CAQDAS as a tool to support a strong research methodology and highlighted the benefits and dangers of computers in qualitative research. Throughout this discussion the objective remained, to never lose sight of the fact that research is about human thinking and human endeavour rather than the tools that a researcher engages. The next chapter will explain, in detail, how the underlying methodology and the associated research tools were used in the search for a greater understanding of the phenomenon under study - immigrant entrepreneurship.

CHAPTER FOUR

APPLICATION OF METHODOLOGY

This study's methodology employed a grounded theory and case study framework as a means of identifying and explaining entrepreneurial behaviour amongst New Zealand's immigrant community. The grounded theory structure was adapted from the original work of Glaser and Strauss (1967) and remained true to the fundamental principles of continuous data collection and analysis, constant comparison, memo writing, and theoretical evolution. The case study analysis structure used to write the individual ethnic group cases was adopted from Yin (1994). In the following chapter the application of this overall methodological approach is discussed (see Figure 1). It outlines how the methodology was employed to: (1) develop a model of New Zealand immigrant entrepreneurship; (2) identify the commonalities and variances of immigrant entrepreneurship in four different New Zealand ethnic groups – Chinese, Dutch, Indian and Pacific Peoples; and (3) draw conclusions on the immigrant entrepreneurship phenomenon. It describes the sample selection, data collection, and coding and analysis techniques. This chapter also describes how the CAQDAS NVivo was used for induction, rather than purely as a quantifying mechanism. It explains how the use of NVivo was an effective means of facilitating the emerging theory, which is fundamental to the grounded theorists' approach that puts discovery of different possibilities ahead of the verification of existing reasoning. The discovery of theory is central to this study. As De Bono contends:

“It is extraordinary that the whole business of ‘possibility’ is so poorly treated, if at all, at university or any other level of education. There is this totally absurd notion that knowledge proceeds by neat steps from known facts through logical deduction to further knowledge. This is not only contrary to experience but also contrary to the behaviour of any self-organising information system” (1996, p. 102).

Finally, this chapter explains how the literature was used throughout the application of the methodology, from the scanning of the general literature to form a preliminary conceptual base, to a more in-depth review of the literature in the construction of the model of immigrant entrepreneurship and the case studies.

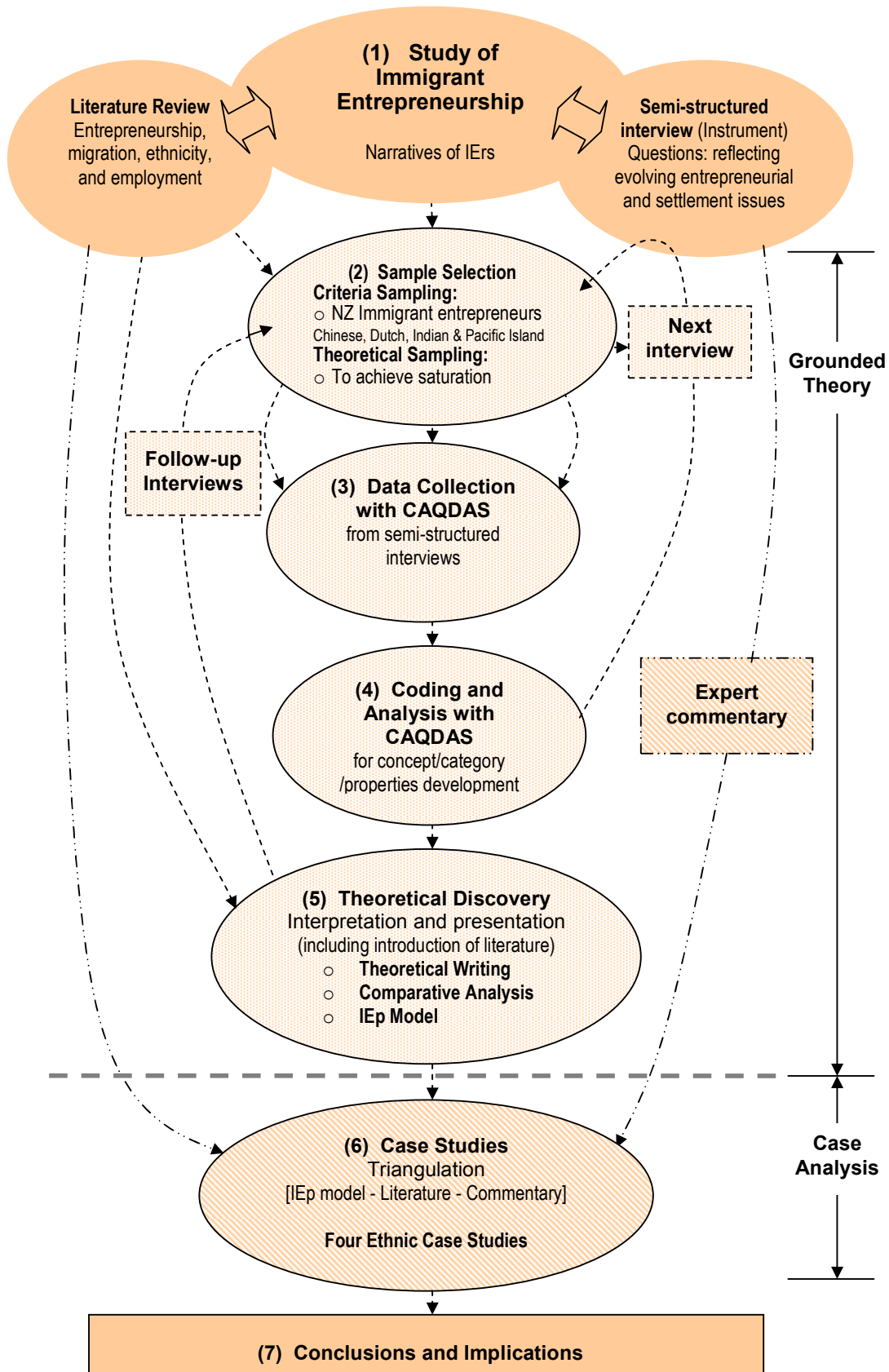


Figure 1: Methodological Structure for the Study of Immigrant Entrepreneurship

4.1 Sample Selection Protocols

A fundamental distinction between quantitative and qualitative methods lies in the different logics behind sampling approaches (Patton, 2002). Quantitative methods typically focus on randomly selected large samples, and derive their logic and power from probability theory. Qualitative methods, in contrast, engage in small in-depth samples where the power lies in the selection of information-rich case studies. Whereas a ‘bias’ in statistical sampling would be viewed as a weakness in quantitative methodology, selective sampling is intentional in qualitative methodology. Glaser and Strauss affirmed the significance of bias in declaring that “[f]or generating theory these biases are treated as conditions changing the relationship, which should be woven into the analysis as such. Thus, random sampling is not necessary for theoretical sampling, either to discover the relationship or check out its existence in other groups” (1967, p. 64).

4.1.1 Theoretical and Criteria Sampling in Grounded Theory

In remaining true to the qualitative traditions of purposeful sampling, theoretical and criteria sampling techniques were applied in this study. Theoretical sampling consists of an evolving (rather than predetermined) selection of a sample as a means of discovering categories and their properties within the phenomenon under study (Glaser & Strauss, 1967). This infers that sampling should facilitate the interrelationships discovered in theoretical development. In conventional positivist and humanist methodology, sampling usually precedes analysis. In contrast, grounded theory is reversed, as sampling decisions are based on the preceding analysis. This was aptly represented in the sampling of New Zealand immigrant entrepreneurs, which identified a blurring of issues related to first and second generation ethnic identity. In preliminary sampling it was discovered that ethnic groups made little or no distinction between first or second generation entrepreneurs. For example the Pacific Island Business Trust did not distinguish between migrant generations in their annual business awards, and Indian Newslink referred generically to all Indian business success. Furthermore, the literature on immigrant ethnicity also identified a close link between first and second generation ethnic characteristics, and the importance of understanding the second generation context. In a study by Peters (2002) on the impact of the broader contextual influences on ethnic entrepreneurs, he reflected on the first and

second generation wave of entrepreneurs being located in their historical, socio-economic, cultural and ethnic contextual influences. Pang (1999, p. 45), in discussing second generation Chinese in the UK, stated that “ethnic background has been shown to have a large impact on educational and occupational aspirations and attainments.” Pang went further in acknowledging the influence of family in saying “the role of the family in shaping the occupational choices of these young Chinese adults cannot be over-emphasised the concept of the family is so pervasive and deeply rooted in its culture” (1999, p. 46). Furthermore, the Dhaliwal and Kangins (2006) research on UK Asian immigrant entrepreneurs, identified that much of second generation immigrant entrepreneurs characteristics reflect those of first generation: “Issues linked to their cultural background play a large part in the business, whatever it’s nature, and having a bearing on decisions made” (p. 105). Although they go on to recognise that second and subsequent generations are better integrated into the community and have been educated locally, which moves them away from what their parents stood for. Hence it was not considered appropriate to include future generations beyond second generation in theoretical sampling. Finally, sampling also highlighted the different second generation entrepreneurial context within the four ethnic groups, which deserved investigation. For example, Pacific people display a prominence of second generation immigrant entrepreneurs while Chinese businesses reflect a mix of both first and second generation, and Chinese and Indian second generation businesses reflected a stronger cultural and family influence than Dutch second generation businesses. In the literature Butterfield (2004; p. 76) also highlighted the importance of understanding the second generation context in stating “while contemporary immigrants face a battery of challenges, it is their children who experience a far more complex relationship with issues of race and ethnic identity. Second generation immigrants are connected both to their parents’ home country as well as their host country.” The economic context was also supported in the ethnic literature which suggested that the external environmental influences on second generation were group specific, as in Razin (2002) who found that different immigrant groups could be influenced in different ways by the same economic setting.

Theoretical sampling, therefore, is flexible and adapts to the emerging theory as it evolves (Dey, 1999). Hence, predetermined sampling is inappropriate, as Goulding stated: “The analyst who uses theoretical sampling cannot know in advance what to sample for and where it will lead (Glaser, 1992). With grounded theory, groups are chosen when they are

needed rather than before the research” (2002, p. 67). Glaser and Strauss warned, however, that researchers must firstly be “clear on the ‘basic’ types of groups [researchers wish] to compare in order to control [their] effect on the generality of both the scope of the population and conceptual level of the theory” (1967, p. 52). The simplest comparisons, they argued, are among different groups of exactly the same substantive type (i.e. matching particular criteria). Criteria (sometimes called homogeneous) based purposeful sampling implies establishing information rich cases from which one can learn a great deal about the central issue under study (Patton, 2002). This study identified the need to isolate relatively heterogeneous immigrant groups originating from different countries, ethnic backgrounds, and migration timelines. Therefore, to ensure the same substantive type, ethnic and business criteria were established which had to be met by immigrant entrepreneurs of Chinese, Dutch, Indian, and Pacific Island backgrounds. The criteria and theoretical sampling used in this study are outlined as follows.

4.1.2 Purposeful Criteria Sample Selection

The ethnic composition of New Zealand society comprises 75% New Zealand European and 15% New Zealand Maori (Statistics New Zealand, 2001a). There are, however, numerous immigrant-based ethnic minority groups which reside in New Zealand. They have diverse backgrounds, cultural values, and social structures - characteristics which are likely to influence their propensity to act entrepreneurially. Therefore, a sampling strategy was selected to understand ethnic entrepreneurship in four immigrant ethnic groups (as previously identified), by establishing a purposeful homogeneous criteria sampling scheme. To meet this study’s objective of investigating a substantive group the following criteria were established, which the participants were required to meet before being interviewed.

Business criteria

- *Meeting the criteria of an entrepreneur:* The GEM definition of what constitutes an entrepreneur was identified as a criterion that could be simply and appropriately applied to this study (see Chapter Two). This definition states that an entrepreneur is, “someone who creates workplace settings for him or herself and for others” (Frederick, 2004, p. 23).

- *At least two annual cycles (financial years) of current business activity:* This criteria ensured currency and substance to the entrepreneur's business activity and precluded retired business owners from the study, who may be considered removed from current business issues.
- *Over 50% ownership in the business:* This included family or partnership ownership structures.
- *SME sector - less than 100 FTE:* This sector constitutes 99% of all businesses in New Zealand (Ministry of Economic Development, 2003), and limiting this study to small and medium sized enterprises increased the likelihood of immersion of the entrepreneur in the day-to-day activities of business.

Note: No industry sector criteria were established, to ensure a broad range of immigrant business activities. The objective was simply to incorporate a broad range of industries and business sectors.

Ethnic Criteria

- *An affiliation to ethnic identity:* This may be through national classification (present or past passport holder), or affiliation to cultural and national societies (e.g. Netherlands Society, Indian Association, etc).
- *Connections to a native country:* Born in native country or second generation¹¹ where cultural influence of caregivers exists (i.e. raised by native born parent(s) and/or within extended native community).

Initially a contact list of potential immigrant entrepreneurs was established through accessing business and ethnic data sources via the Internet (e.g. Indian Newslink and The Pacific Island Business Trust), approaching ethnic associations (e.g. Young Chinese Entrepreneurs Association), contacting politicians or government agencies (e.g. New Zealand Asia Institute), and communicating with known entrepreneurs. This process created a general contact database of Chinese, Dutch, Indian and Pacific ethnic business people, from contrasting industries and business sectors. Any contacts who did not meet the above criteria, however, were subsequently not considered for the ongoing study.

¹¹ In the context of this study second generation refers to the children, born in New Zealand, to immigrant parent/s.

4.1.3 Purposeful Theoretical Sample Selection

To ensure a comprehensive development of themes during the grounded theory study, purposeful sampling of at least ten respondents from each of the four ethnic groups was conducted. This approach also lent itself to the comparative analysis of the different ethnic entrepreneurial processes and behaviours and the case study development (discussed in detail in a later section). Theoretical sampling was used within each of the four groups to meet grounded theory's sampling conditions of flexibility and saturation, and also meet the added condition of developing substantive theory. Theoretical sampling allowed the researcher to select respondents who would support the investigation of developing themes, although still adhering to the constraint of the established criteria. This approach was consistent with the view of this study that qualitative methodology lends itself to such multiple sampling strategies. To best explain this, the example can be given of the homogeneous criteria sampling of Indian entrepreneurs (in which all participants met the business/ethnic criteria), where initial comparisons indicated a lack of an overall sense of community in New Zealand. To further investigate this theoretical typography, sampling progressed to identify Indian entrepreneurs from different geographical areas such as Punjab, Gujarat, Maharashtra, Karnataka and Fiji, to test the emerging theme relating to the lack of a unified Indian community. Similarly, when researching Samoan immigrant entrepreneurs, a strong sense of Pacific community became evident and therefore theoretical sampling included a broad Pacific Peoples perspective including Nuiean, Cook Island, Samoan, Tokelaun and Tongan.

This highlights the unique nature of such a study, which is an approach supported by Patton who suggested that "applying guidelines requires judgement and creativity. Because each qualitative study is unique, the analytical approach used will be unique" (2002, p. 433). The sampling then advanced to include data beyond the purposefully prescribed interviews, as follow-up interviews were undertaken with previously interviewed respondents to add to the emerging themes and lines of questioning. The follow-up interviews were viewed as imperative to meeting the criteria of theoretical saturation and for the overall development of this study.

4.2 Data Collection

This section gives an overview of the structure of the full study's sample which was collected using a qualitative purposeful sampling (as discussed in the previous section). It also outlines the application of the overall data collection technique.

4.2.1 Sample Structure

The immigrant entrepreneurship study was based on forty-two in-depth interviews with immigrant entrepreneurs, thirty-two follow-up interviews from the original interview cohort, and three secondary data interviews. The follow-up interviews related to collection of additional data to support comparative analysis and saturation of categories. The data mix contained twenty Dutch, nineteen Chinese, twenty Indian, and eighteen Pacific in-depth and follow-up interviews from a total sample of eleven Dutch, ten Chinese, ten Indian, and eleven Pacific Island immigrant entrepreneurs. Interview participants were sought throughout New Zealand, with the bulk (twenty-nine participants) coming from the two major regions of SME activity, Auckland and Canterbury (Ministry of Economic Development, 2007), and the remaining thirteen participants obtained from regional areas (Appendix 1). Eleven of the immigrant entrepreneurs were female and generated eighteen of the in-depth and follow-up interviews. Sixteen immigrant entrepreneurs were second generation and generated twenty-seven of the in-depth and follow-up interviews. There was also a variance in New Zealand arrival timelines, with five arriving prior to 1970, eleven arriving between 1970 and 1989, ten arriving between 1990 and 2002, and the remainder being second generation. A further variation was the respondent's age on arrival, which ranged from: six arriving as children (under 15 years of age), ten were 16 to 25 years, eight were 26 to 35 years, two were 36 to 45 years and the remainder were born in New Zealand. The forty-two participants also covered a broad range of industry sectors (Table 1).

Table 1: Sample Structure – Participants by Industry

Service*	25	60%
Retail	6	14%
Manufacturing	6	14%
Agriculture	3	7%
Construction	2	5%

*including: business services, café and restaurants, community and personal services

The industry profile parallels other New Zealand studies. For example, in a study of 691 migrants to New Zealand, Dunstan et al. (2004) identified a range of migrants operating in different industries as: 62 percent in services (including property, business services, health and community, education, accommodation, cafes and restaurants, cultural and recreational, communication and personal), 14 percent in retail, 14 percent in manufacturing, agriculture 1 percent, construction 2 percent and the remainder in government administration. A second study of self-employed immigrants (North & Trlin, 2004) identified 58 percent in services, 18.5 percent in retail, 18.5 percent in manufacturing and 5 percent in agriculture.

In terms of full time employee (FTE) numbers the immigrant entrepreneurship study's sample contained the following (Table 2).

Table 2: Sample Structure – Participant Businesses FTEs

1 to 5 FTEs	14	33.5%
6 to 10 FTEs	11	26.0%
11 to 20 FTEs	5	12.0%
21 to 50 FTEs	8	19.0%
51 to 99 FTEs	4	9.5%

This did not match the New Zealand demographic of 87 percent of New Zealand businesses having less than five FTEs and 96 percent having nineteen or fewer FTEs (Ministry of Economic Development, 2007), but whilst matching the sample structure to the New Zealand demographic would offer a depiction of immigrant entrepreneur micro-business activity¹², it could not adequately support the development of a complete picture of immigrant entrepreneurship, or be justified by the level of economic activity (output) in each classification. For example, SMEs in each classification contributed between five thousand million and ten thousand million dollars to the New Zealand economy (Ministry of Economic Development, 2007). What was required was a more balanced sample, which included adequate representation from all SME FTE classifications. To retain a balanced profile, there was also adequate representation of business ages in the cohort: eleven had been in operation from 1 to 5 years, eight from 6 to 10 years, sixteen from 11 to 20 years, and seven greater than 21 years.

¹² Two thirds of enterprises in New Zealand are single person operations (Ministry of Economic Development, 2007).

The data collection, analysis and coding, as prescribed by grounded theory, occurred over a 17 month period from May 2005 to October 2006. The coding and constant revision of the 77 in-depth and follow-up interviews with immigrant entrepreneurs developed 520 descriptors, which translated into data strands depicting thematic descriptors of up to five levels. These descriptors contained 6,018 separate blocks of coded interview data at the property level (at the lowest level), while all data strands linked ultimately into four constructs (at the highest level). These constructs: migration profile, business profile, cultural profile and settlement profile, and their prominent data strands were the basis for the development of the model of immigrant entrepreneurship as reported in the next chapter. The 6,018 blocks of code were established by becoming thoroughly familiarised with the transcripts, careful reading and re-reading each line of the interview, teasing out what was happening, and assigning them to established or new descriptors within the NVivo data management software (see Section 4.4). The methodology was flexible enough to ensure that the coding for each new interview could be extended, modified, merged, categorised, or discarded - until theory emerged.

4.2.2 Data Collection Strategy

Because of grounded theory's expectation of a constant flip-flop between data collection, coding and analysis (comparison) to discovery of theory, this study took the position of collecting in-depth interview data in blocks of four interviews, rather than single interviews. This ensured that each coding and analysis stage was supported with a solid block of data. On completion of the main data set (44 in-depth interviews in all), the follow-up interviews were then completed on an individual basis.

In not wishing to predetermine the direction of the major themes of the study, this research simply used a biographical approach which undertook narrative investigations of the interviewee's life and experiences. Benefits accrued from the use of biographical narrative interviews have been readily documented (e.g. Babbie, 1989; Kvale, 1996; Ticehurst & Veal, 1999) and include:

- The ability to understand and explain the personal experiences of the immigrant entrepreneurs.

- The uncovering of tacit knowledge or hunches that play a role in understanding the attitudes toward issues such as entrepreneurial development.
- A focus on people's socio-economic, ethno-social characteristics and opportunity structures.
- The ability of the interviewer to experience issues from the perspective of participants.

This form of evaluation took into account both the intended (characteristics and behaviours of entrepreneurial activity) and unintended (emergent characteristics and behaviours) impact of multi-layered internal and external factors influencing the entrepreneurial experiences of the participants. As entrepreneurship is imbedded in social relations, interpersonal networks and biographical processes (Kontos, 2003), each participant was asked to:

- Sketch a broad narrative of his/her life events, emphasising those relating to entrepreneurial behaviour.
- Touch upon many aspects of personal and ethnic (or national) identity and the development of self - such as family, education, and values (Hammarstedt, 2004).
- Identify environmental factors influencing their new venture creation; such as the formal and informal economy (Dana & Dana, 2003; Kloosterman et al., 1999), social legislation, and settlement.

The pattern of interviews was based on the Cavana, Delahaye and Sekaran (2001) strategy of development and execution through four steps: (1) entrance - in which rapport was established with the interviewees through common courtesies, explaining the study context, and confirming anonymity and consent; (2) activity - the undertaking of the semi-structured interviews, which were lead by questioning related to theoretical development and were recorded on audio tape; (3) intimacy - letting the interviewees give their account on their own terms, with the interviewer only serving as a guide who managed the interview's direction based on the responses heard; (4) exit time investment - asking if there were any questions or final comments, forewarning of future follow-up contact and concluding with common courtesies. Each interviewee was identified only by a unique source code, which ensured the anonymity of participants. All original data was filed and stored in a secure location.

The initial four interviews were conducted as face-to-face, semi-structured in-depth conversations, in order to generate rich and detailed accounts of the individual's experience. This approach used an unstructured interview instrument which was flexible enough to allow the discussion to lead into areas which were not considered prior to the interview, but had relevance to the study (see Appendix 2:1). The remaining interviews were a combination of face-to-face and telephone interviews. They followed a similar formula to the initial four interviews except that some new probing questions were introduced to each subsequent set of four participants. New questions were based on findings uncovered in the coding and analysis of the previous interviews. Therefore there was a constant evolution of the research instrument (see for example, Appendix 2:2) until the data collection was completed and a semi-structured interview template emerged which could be used for future studies based on the this research framework (see Appendix 3). All follow-up interviews were very specific with targeted questions and were a combination of face-to-face, telephone, mail and email responses (see for example, Appendix 2:3).

Obtaining the purposeful sample did have its challenges. As discussed previously, a database was established from which immigrant entrepreneurs were contacted, but as the study progressed, theoretical sampling required the expansion of the database to meet the research objective of creation of theory. The identifying of suitable immigrant entrepreneurs was, however, only the precursor to a convoluted process of obtaining the interviews. There was a need to establish contact with immigrant entrepreneurs, often by referral of a second party (e.g. an ethnic community leader), in order to gain an initial point of commonality or understanding.

A referral and a clear explanation of the study generally allayed any suspicions immigrant entrepreneurs had. An initial suspicion was often inferred in a response of "Where did you get my name?" Interview times were set up with willing participants, although there was frequent rescheduling due to their unavailability. For example, on one occasion when interviews were undertaken in rural South Island regions, an immigrant entrepreneur was delayed by three hours, therefore creating the potential for being late for the next appointment some 150km away. On arriving at the next destination, just on time, that immigrant entrepreneur was not available and had in fact completely forgotten about the appointment. With telephone interviews it was not uncommon to call each immigrant entrepreneur three or four times, before finally achieving the interview. Throughout these

scenarios it was important to remain friendly, polite and positive, as the respondents were busy business people volunteering their time. On completion, all participants received a personal letter of thanks. The follow-up interviews were easier to obtain because of the established relationships, although in many instances the difficulty of scheduling a suitable time with immigrant entrepreneurs remained.

4.3 Coding and Analysis

In the context of this study, coding can be described as relating the chunks of coded data to specific categories which were developed ad hoc. Glaser and Strauss suggest that “[t]he researcher starts by coding each incident in his data into as many categories of analysis as possible, as categories emerge or as data emerge that fit in an existing category” (1967, p. 105). This study’s approach was to record interviews, transcribe, and then carefully, line by line, evaluate for meaning. Thematic coding was the basis for identifying meaning and recording themes in the transcripts, for example, the theme ‘long hours’ surfaced when a respondent expressed the need to devote a great deal of their time to business. This data collecting, coding and analysis entailed the employment of an interview cycle, structural development of the data, and the ultimate conclusion of data collection.

4.3.1 The Interview Cycle

From the first four interviews, the emerging categories and the ensuing memos were used to develop a broader range of questions, which were then incorporated into the interviews for the next four participants selected through the purposeful sampling strategy. The new interviews were in turn coded, analysed, compared with previous coding, subject to further memo writing, and then interview questions were revisited for the next selection of four participants. The process was followed to its ultimate conclusion of saturation of all concepts. This also included considerable follow-up interviewing to ensure full saturation. The process continued until 44 interviews were undertaken (with at least ten interviews in each ethnic group) and 33 subsequent follow-up interviews, at which time no further significant additions or rearrangements of the categories within each of the four constructs – *migration*, *settlement*, *culture*, and *business* - were evident. Therefore, each ethnic sample group was suitably saturated and the developing concepts within each construct were stable

enough to ensure that: (1) minimal additional benefit could be gained; or (2) there would be a likelihood of additional revelations overly complicating as opposed to enhancing the study.

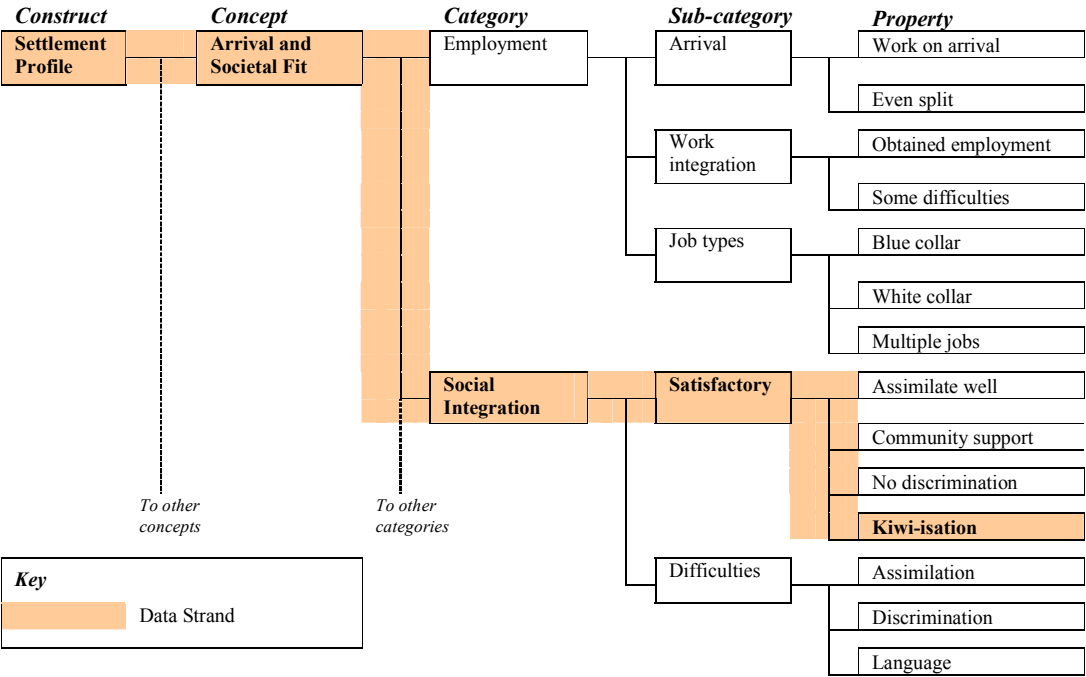


Figure 2: Coding Strands within the Settlement Coding Tree

4.3.2 Structural Development: Constructs, Concepts, Categories and Properties

Through constant comparison of the thematically coded data the constructs concepts, categories and properties emerged from the bottom up (i.e. preliminary properties). Constructs refer to an overall theoretical premise such as ‘*cultural profile*.’ Concepts refer to a broader area of theoretical development within a construct (e.g. ‘*family*’ was found to be an important concept in the cultural profile construct). Categories refer to the segmentation of concepts in the context of this study’s objectives (e.g. ‘*family business connections*’ and ‘*succession*’ are subsets of family). Furthermore, subcategories were the segmentation of categories, while properties were the lowest level at which all the thematic coding was stored, e.g. all coded text related to immigrant entrepreneurs speaking of the desire for children to be part of a succession process were stored under the ‘*desire for succession*’ property. The process therefore generated ‘data strands’ within the coding tree

which originated from the coding of the transcripts at the property level (lowest level), then linking through sub-categories, categories, parent concepts to the overall construct (highest level). Figure 2 shows another example of the relationship between construct, concept, category, subcategory and property, from the settlement profile construct.

4.3.3 Concluding the Data Collection

Grounded theory methodology does, however, raise the question of when to cease searching for more participants. This study's fieldwork, which uncovered concepts and established saturation, came in layers (deeper levels of understanding) and, therefore, there had to be a point where new findings or nuances could not be investigated, as a finite ending point was needed - regardless of further possibilities. The dilemma of establishing an end point is highlighted by Miles and Huberman cautioning:

“Be careful here. Fieldwork understanding comes in layers; the longer we are in the environment, the more layers appear to surface, and the choice of when to close down, when to go with a definitive coding scheme or definitive analysis, can be painful. That choice may be dictated as often by time and budget constraints as on scientific grounds. When those constraints are relaxed, saturation can become a vanishing horizon - just another field trip away, then another ...” (1994, p. 62)

To explain the open-ended nature of the research, in the context of this study, this researcher refers to the example of the theme ‘strong work ethic’ which was reflected (among others) in the property of ‘long hours.’ The working of long hours was mentioned by immigrant entrepreneurs time and time again so saturation was not an issue. However, during one interview an immigrant entrepreneur did not speak directly of long hours but spoke of engaging in business activities everyday. So this researcher posed the question and the dialogue went as follows:

Interviewer: Do you work long hours?

Entrepreneur: No.

Interviewer: So how many hours do you work a week then?

Entrepreneur: 60 to 70 hours a week.

This posed an interesting new layer of interpretation – what constitutes long hours? Is it the 35 to 44 hours per week within the context of New Zealand societal system as normal hours and anything above that as constituting long hours? Again another layer is the issue of what constitutes *hours* in ‘long hours.’ Is it confined to hours at the workplace? Does it include work completed at home such as paperwork or answering customer calls? Or could it include the time immigrant entrepreneurs mentally disengage from their families, even if they are physically home, as their minds are filled with business ideas or problems? These are layers where further investigation may produce further layers requiring further interviews to a point where there may well be no end, as this study has uncovered hundreds of potential layers that could be investigated. However, the framework of this study was to develop a model of immigrant entrepreneurship which can answer some fundamental questions about this phenomena, but perhaps, more importantly, the model identifies numerous concepts within each of the four constructs which generate new questions for future investigation. Therefore, this study delivers a model of immigrant entrepreneurship which offers some answers as to what constitutes the immigrant entrepreneurship process but, in fact, then uncovers more questions.

4.4 Application of CAQDAS

The development of theory relating to immigrant entrepreneurship focused on the data (including literature sources, as discussed in the next section) forming clear concepts and patterns within these concepts, and depicting the emerging data strands. The methodological structure underpinning this objective required intensive data collection and analysis, and had the potential for significant data overload if undertaken manually. In fact, over 6,000 coded blocks of interview data were identified, stored and interpreted during this study. Therefore, the software package NVivo was used, as it is already recognised for its use in grounded theory (Lonkila, 1998). All coding was entered into the NVivo computer software, which had been set up with an appropriate recording and grouping structure prior to the data collection. For example, files were set up to manage transcribed data, memos and supporting documents. Attributes (vectors) were also assigned to record demographic information for each document, such as age, gender, ethnicity, business type, business size, etc. Sets (storage folders) were also established to categorise and manage the transcripts with respect to ethnicity, gender and generation. Overall the research process was managed

through the use of NVivo's array of tools which facilitated the conceptualisation and verification.

Conceptualisation

The structuring of the NVivo operating system's folders, sets and attributes were the precursor to the constant refinement of coding of the data during this study, which lead to the model development and theoretical writing. The reality, however, was that there was no clear systemised procedure under grounded theory for transforming the masses of data collected in this study. To this end, this study was careful to ensure that NVivo was a facilitator of, rather than a substitute for, robust methodological processes or the application of the human mind in the discovery process. As Patton contended:

“The challenge of qualitative analysis lies in the making sense of massive amounts of data. This involves reducing the volume of raw information, sifting trivia from significance, identifying significant patterns and constructing a framework for communicating the essence of what the data reveal. The problem is that we have few agreed-on canons for qualitative data analysis, in the sense of shared ground rules for drawing conclusions and verifying their sturdiness. There are no formulas for determining significance. No ways exist of perfectly replicating the researcher's analytical thought processes. No straightforward tests can be applied for reliability and validity. In short, no absolute rules exist except perhaps this: Do your very best with your full intellect to fairly represent the data and communicate what the data reveals given the purpose of the study” (2002, p. 432).

Verification

During the application of the methodology, there was constant consideration of the need for the theoretical development to be robust and testable. Glaser and Strauss stated this required that:

“The theory should provide clear enough categories and hypotheses so that crucial ones can be verified in present and future research; they must be clear enough to be readily operationalised in quantitative studies when they are appropriate. The theory must also be readily understandable to sociologists of any viewpoint, to students and to significant laymen. Theory that can meet these requirements must fit the

situation being researched, and work when put into use. By ‘fit’ we mean that the categories must be readily (not forcibly) applicable to and indicated by the data under study, by ‘work’ we mean that they must be meaningfully relevant to and be able to explain the behaviour under study” (1967, p. 3).

Therefore, this study sought only to utilise NVivo for the clear establishment of theoretical modelling. NVivo managed the practicalities of the evolving data strands and linkages within overriding constructs, and developed a clear audit trail of the verification of the research activities. The analysis and interpretation (by the human mind and not software) was undertaken according to the principles of grounded theory and case study analysis.

4.5 Theoretical Discovery: Interpretation and Presentation

Each construct, with its concepts, categories and properties, was scrutinised for thematic fit, and properties were then revised for content validity within each data strand. The data within each property were analysed and tabulated through a cross referencing process of individual immigrant entrepreneurs (grouped by ethnicity) and the study’s properties. It also identified the level of occurrences among immigrant entrepreneurs of each theme (n), the frequency of occurrences (f), and the linkages between concepts.

Number and frequency

The number of the occurrences of each property (n), within the full cohort of 42 interviewees, was tabulated in such a way that the study could interpret similarities and differences in frequencies within the four study groups. Figure 3 shows an example of the number of occurrences for four categories (and ensuing relevant properties) within the ‘drivers’ concept of the business profile construct. This data presentation was used to establish prevalent themes within the developing model of immigrant entrepreneurship and allowed for interpretation of these themes in conjunction with the meaning taken from what the immigrant entrepreneurs said (which is represented by the blocks of coded interview within each property). This study also analysed the frequency (f) of properties, for example, the coding of the property ‘autonomy’ (Figure 3) occurred more than once in many of the transcripts, therefore the frequency was considerably higher than the number of immigrant entrepreneurs (n) identified with the property.

Linkages

The stages of data interpretation, already outlined, also entailed the linking of data themes across constructs and concepts within the developing model. For example, if we revisit the ‘hard working’ theme, it is noticeable that it is linked throughout the model. ‘Hard working’ in the migration construct links to the driver, work ethic, and family value transfer concepts in other constructs. This multi-dimensionality outlines the dynamic and interconnected nature of the model of immigrant entrepreneurship and hence the entrepreneurial process itself.

Construct 2: IEr Business Profile - Concept 1, IEr Drivers										
IEr number	Financial			Business		Self actualisation			Personal gains	
	Rewards & profit	Security & freedom	Non Money	Pride, status & reputation	Sustainable	Autonomy	Challenge & achieve	Growth & development	Life style	Pride & credibility
101		1		1			1			1
102			1				1	1		1
103	1				1		1	1	1	1
104						1			1	
105		1	1			1			1	1
106			1	1				1		1
107					1	1	1			1
108				1	1	1	1			
109	1	1	1	1		1	1			1
110		1	1	1					1	1
111	1	1	1	1		1	1		1	1
201						1	1	1	1	
202		1	1			1		1	1	
203							1			
204	1	1	1			1	1		1	
205	1			1	1	1			1	1
206		1		1		1	1	1		1
207	1						1		1	
208					1	1	1	1		1
209	1			1	1	1	1	1	1	
210			1		1					
211	1		1	1	1		1		1	
301				1			1	1		
302	1		1	1		1	1			
303								1		
304	1		1	1	1	1			1	
305			1		1	1				
306				1		1				1
307			1	1	1	1	1			
308		1				1			1	
309							1			1
310	1			1	1	1			1	
401									1	
402	1					1	1		1	
403	1		1	1	1	1	1	1		
404	1	1		1	1		1		1	
405	1	1			1	1		1		
406	1	1	1			1	1	1		
407	1	1	1		1	1			1	
408										
409			1			1		1		
410						1				
Total (n)	17	13	18	18	16	27	23	14	19	14

Figure 3: Segment of a Construct Frequency Chart

Memos

Memos which had been written during the data collection and analysis were regularly revisited for their contextual relevance within the developing model of immigrant entrepreneurship. Memos were also revisited with regard to issues that had not come out of the prevailing data strands, but had gained enough importance during the data collection and transcribing to warrant memoing for later consideration.

Finally, all activities described in this section did not happen in a linear manner, but instead there was a constant interchange between the data interpretation processes from frequencies to memos to linkages, until a robust model of immigrant entrepreneurship emerged.

4.6 The Literature and Theoretical Sensitivity in Grounded Theory

The literature review was an integral component of developing and validating the model of immigrant entrepreneurship. However, prior to data collection and analysis, this study took the position of reviewing the general literature on entrepreneurship, ethnicity and immigration in order to construct the initial conceptual framework for immigrant entrepreneurship (as described in Chapter Two). This is consistent with Pidgeon and Henwood's argument that "philosophically speaking, theory cannot simply 'emerge' from data, because interpretation and analysis are always conducted within some pre-existing conceptual framework brought to the task by the analyst" (2004, p. 628). Therefore, this study affirmed the need to have some understanding of the literature prior to engagement with the phenomena of immigrant entrepreneurship. Barnes (1996, as cited in Goulding, 2002) asserted that it is helpful for grounded theory researchers to have some experience of the issue being studied, while still retaining sensitivity and objectivity in the discovery process. Therefore the literature should inform rather than direct the research. As Strauss and Corbin stated:

"In qualitative research, objectivity does not mean controlling the variables. Rather, it means openness, a willingness to listen and to 'give voice' to respondents, be they individuals or organisations. It means hearing what others have to say, seeing what others do, and representing these as accurately as possible. It means having an

understanding, while recognising that the researchers' understandings often are based in the values, culture, training, and experiences that they bring to the research situations and that these might be quite different from those of their respondents" (1998, p. 43).

There is a need for an 'open mind' not an empty head for meaningful research. A preliminary literature review (see Chapter Two) was, therefore, undertaken to identify existing writing on: (1) entrepreneurial characteristics and processes; (2) immigrant settlement in and influences on their host countries; and (3) the distinction between ethnicity, race and nationality. The literature did not directly investigate the research topic, but did promote clear thinking in the development of a frame of reference for immigrant entrepreneurship. The rationale for this activity was most aptly explained by Pidgeon and Henwood in their statement that it helps the researcher to reach "conceptual density, enhances the richness of conceptual development and subsequently the process of theory development" (2004, p. 624).

A second literature review was completed in conjunction with the data collection and analysis. Unlike most other methodologies, which allow only words and actions of informants as a source of data, grounded theory allows a far broader range of data including secondary data and statistical records (Goulding, 2002) - providing that it has relevance and a 'fit' to the study. To this end, New Zealand census reports, existing studies on migrants to New Zealand, and local and international studies of immigrant self employment were sought. The literature and statistical data was collected, interpreted and synthesised with the findings of the immigrant entrepreneurship modelling, as outlined in the previous section. The introduction of the literature review after the model development ensured that there was no impact on theoretical sensitivity (i.e. making data 'fit' the existing evidence) while still enabling the testing of this study's interpretation of the data strands within each construct by expanding on or contradicting the interpretations. This literature review added to the development of a more robust model and acted as a validity check within the research process. However, with respect to the comparison of international literature to the New Zealand research context, this study was mindful that New Zealand has a unique history, geography, economy and policies (Duncan, Bollard & Yeabsley, 1997). Therefore only general comparisons with overseas literature, in regard to ethnic characteristics and migratory trends, were used to draw conclusions in this study. For example, caution was

needed when making comparisons with ethnic enclaving behaviours within receiving countries that had significantly larger ethnic immigrant populations than New Zealand.

4.7 The Application of Case Study Comparison to the Study of Immigrant Entrepreneurship

The final stage of this study required the application of case study methodology. Notwithstanding the objective of comparing entrepreneurial behaviour between different ethnic groups, the first responsibility in the case study design was to do justice to the underlying nature of immigrant entrepreneurship within individual groups (i.e. Chinese, Dutch, Indian and Pacific Peoples). As stated by Stake (2000, p. 436 as cited in Patton 2002, p. 449) “ultimately, we may be interested in a general phenomenon or population of cases more than in the individual case. And we cannot understand this case without knowing about other cases. But while we are studying it, our meagre resources are concentrated on trying to understand its complexities.” Therefore, each individual case was fully constructed before moving on to any comparative analysis. The normal caveats of case study analysis refer to the non-generalisability of findings. However, with the application of the model of immigrant entrepreneurship (developed through the grounded theory stage of this study) and data triangulation (discussed later in this section), some generalisations within the specific New Zealand immigrant groups studied was warranted. However, this study does not suggest generalisations can be attributed to a broader ethnic mix (e.g. South African) or groups outside the New Zealand environment (e.g. Pacific Peoples in the USA).

As previously stated, this study employed Yin’s (1994) five components of case study design which consists of: a study’s question, propositions, unit(s) of analysis, linking of the data to the propositions, and the criteria for interpreting the findings.

- **Question:** The case study question was, how effectively do the different ethnic groups fit the model of immigrant entrepreneurship, which was developed through grounded theory? In answering this question this study considered why and how each ethnic group’s behaviours fit (or in cases did not fit) the model of immigrant entrepreneurship and how differences presented themselves within the four distinct groups.

- ***Proposition:*** The term proposition(s) relates to the intended area of examination within the scope of the study. To this end this study used the four constructs derived from the theoretical development of the model of immigrant entrepreneurship as the propositions. These constructs were the migration profile, settlement profile, business profile and cultural profile. They reflected the important theoretical issues discovered during the grounded theory stage of this study and gave a structure to the case study development and ultimate comparisons.
- ***Unit:*** The unit of analysis was established as the four ethnic cohorts as used in the grounded theory stage of this study (i.e. Chinese, Dutch, Indian and Pacific Peoples). Each sample group matched the established business/ethnic sampling criteria (see Section 4.1.2), but differed slightly in the context of the theoretical sampling protocol (see Section 4.1.3).
- ***Linking and interpretation:*** Linking of the data to the proposition was achieved by ‘pattern-matching’ (Yin, 1994) where data *specific* to each case study unit was related to the theoretical propositions (i.e. the concepts within the constructs, as developed in the model). Furthermore, the model of immigrant entrepreneurship was the framework for interpreting the comparisons that were made between the four analysis groups (Chinese, Dutch, Indian, and Pacific immigrant entrepreneurs).

The study design used data triangulation to obtain the complete data sets for each case. The data sources were: (1) data from immigrant entrepreneurs gained through the grounded theory study; (2) data from eight recorded interviews with ethnic business and community commentators (two from each group); and (3) data from existing literature (for example, New Zealand Census and Immigration Service reports). The raw data was triangulated using the model of immigrant entrepreneurship framework and tabulated for comparison and interpretation purposes. For example, Figure 4 displays the triangulated data set for the ‘work ethic’ concept within the model of immigrant entrepreneurship. A complete triangulated case record was written for each group, and this reporting was based on the structure developed in the model of immigrant entrepreneurship. The different data sets in some cases did yield different results because the different types of data were sensitive to different immigrant entrepreneurship nuances. However, Patton (2002, p. 248) contends

that “[u]nderstanding inconsistencies in findings across different kinds of data can be illuminative.” The process concluded with the synthesis of the three data sets being written up as final cases which were then presented in this study as individual ethnic case studies of immigrant entrepreneurship (Chapter Seven).

Work Ethic (Ip-Eng; St-Eng; Ip-Per)	Strong work ethic: Hard working (n=7) and long hours (n=10), with some family influence on behaviour (n=4). Often necessitated through lack of capital.	IEp
	<i>Tiwari (1980, p. 27):</i> “Most Indians I interviewed live a life of simplicity and hard work.”	Lit
	COM01: Based on the Indian philosophy that work is worship and instilled as children, you revere the workplace like a temple. Therefore to respect the workplace because it gives you a means of sustenance. So it is kind of ingraining in the thinking. COM02: It’s not just characteristic, it’s typical. More often than most you will find that they work hard.	Exp
	Work perspectives: Accepting of trade-off (n=6), but desire to work less over time (n=5).	IEp
	<i>Tiwari (1980, p2):</i> “If the western culture points relentlessly to the improvement of life-conditions by dint of labour and industry, the life-styles of Indian immigrants cover another dimension, and work under a sense of discomfort and disquiet at the existing order of things.”	Lit
	COM01: There is no work-life balance in the Indian context. They simply do not know how to order a balance in their life. But that is slowly changing. COM02: Because they are so involved in the business, giving it the best part of their lives.	Exp

Figure 4: Extract from Triangulated Data Presentation

4.8 Completion of the Study

This study’s introduction began with the premise that all ethnic groups, to greater and lesser extents, have the ability and desire to be entrepreneurial. This road is often travelled differently, with varying migration, settlement, cultural, and business issues within ethnically distinct immigrant groups. The objective of this research, and the subsequent choice of methodological structure, was to increase understanding of the immigrant entrepreneurship process. This increased understanding could stimulate immigrant entrepreneurship in receiving countries and therefore add value to their societies (i.e. economic, personal, and community benefits). The culmination of this research, in the development of the four constructs – migration, settlement, cultural and business - and the ensuing model of immigrant entrepreneurship are outlined in the next two chapters.

CHAPTER FIVE

THE THEORETICAL DEVELOPMENT OF THE IMMIGRANT ENTREPRENEURSHIP CONSTRUCTS

This chapter illustrates the unique dimensions of the four constructs - migration profile, settlement profile, cultural profile and business profile, which evolved during the systematic coding and analysis under grounded theory. The development of the constructs is described through a comprehensive discussion and interpretation of the data strands¹³ which emerged during the coding and analysis stage. This chapter also introduces evidence from the supporting immigrant and entrepreneurship literature which added weight to, expanded on, or contradicted the study's interpretations.

5.1 Construct 1: Migration Profile

The 'migration profile' construct identified homeland characteristics of the immigrant entrepreneurs or their families. The construct developed strong data strands, connecting 825 blocks of coded data from the 77 interviews, revealing themes of origin, residence, family, religion, work dynamics, lifestyle considerations, and migration practicalities (Figure 5; p. 83).

5.1.1. Homeland

Geographic Origins

The immigrant entrepreneurship study identified that immigrant entrepreneurs (IERS) migrate from dispersed geographic regions. This occurs within and outside of national boundaries. Within the four groups selected for this study (i.e. Chinese, Dutch, Indian and Pacific Peoples), Indian IERS reported their homeland origins as Karnataka, Kerala,

¹³ Within the discussion sections, the pervasiveness of the themes (*n*) are frequently given to support assertions in the evolving model of immigrant entrepreneurship. However, of the 42 interviewees, all prominent themes in data strands were answered (through initial or follow-up interviews) in the main by 40 interviewees. This was considered an acceptable response rate, since for practical reasons and occasionally personal reasons it was not always possible to obtain responses to a theme from particular interviewees. Therefore during the discussion when the pervasiveness (*n*) of total responses is referred to with respect to the full cohort it is out of 40. Care was taken to ensure that non-response did not occur more than once in each ethnic cohort.

Tamilnadu, Punjab, Rajasthan, Maharashtra and Fiji (Fijian Indian); Pacific Peoples originated from Cook Islands, Samoa, Tonga, Nuie and Tokelau; the Dutch, although from a geographically small country, perceived distinctions between city and country people and had provincial loyalties and distinctions, e.g. Catholic Brabant versus Protestant Zuid-Holland; while Chinese originated from Wuhan (Central), Hong Kong (Southern), Beijing (Northern) and Guangdong (Southern) regions. There was only one clearly defined concentration of origin in the data, which were the established Chinese migrants who came from the Canton region of China in the latter part of the 19th century through to the middle of the 20th century. What rapidly became apparent in this study was that the broad geographic spread of migrants meant there were clear distinctions with respect to culture, language, religion, and values systems within and between the four groups. This was further complicated by second generation New Zealand-born IERS having a New Zealand upbringing, and differing degrees of ancestral homeland cultural context. For example, the Chinese cultural transfer from parents to children was high, whereas within the Dutch community it was relatively low (see data stand: cultural profile/family/parental values transfer). Therefore, IERS within each of the four groups saw themselves as quite distinct, and not fitting a generic label based on their broad national origin. For example, one IER spoke of three major Indian groups in New Zealand, while another commented on religious distinctions (as will be discussed in detail in the cultural profile).

To complicate matters further, some IERS also spoke of the differences between immigrants who have been in New Zealand for decades and the new arrivals. For example, Chinese IERS spoke of significant differences between the 'established' generation (pre-1986 from the Canton district) and the 'new' wave of Chinese immigrants (post-1986), and identified a lack of connection between the two groups (this point will be explored further in the data strand: cultural profile/ethnic community links/separate ethnic communities.)

Residence

The majority of IERS came from urban city or town backgrounds (n=33). The profiling indicated that all Pacific Island born IERS came from Island backgrounds, but as the majority of the interviewees were second generation they had, as a consequence, been born and raised in New Zealand cities. All new Chinese IERS were from large homeland cities while established Chinese IERS' family origins were predominantly from the rural Canton region. Second generation New Zealand-born Chinese IERS had been raised equally in urban

or rural environments. Dutch IERs had mixed residential histories, while Indian IERs were from urban backgrounds. This prominence of an urban background appeared to help their New Zealand urban settlement and business development (see also data strand: settlement profile/arrival/social integration, where it was evident IERs resided predominantly in New Zealand cities). The evidence of this study suggests that urban (homeland)-to-urban (New Zealand) migration and the rural-to-rural migration were the most compatible with entrepreneurial activity, although there were some examples of urban-to-rural success. Rural-to-urban migration was the least compatible with entrepreneurial activity.

One third of the IERs discussed the fact that they had also undertaken extensive overseas travel (n=15), referring to their 'OE' (overseas experience), trips with work, or travel with their families. This extensive travelling gave them what they believed was added knowledge that they could apply to their entrepreneurial activity (see also data strand: cultural profile/ethnic community/business strengths).

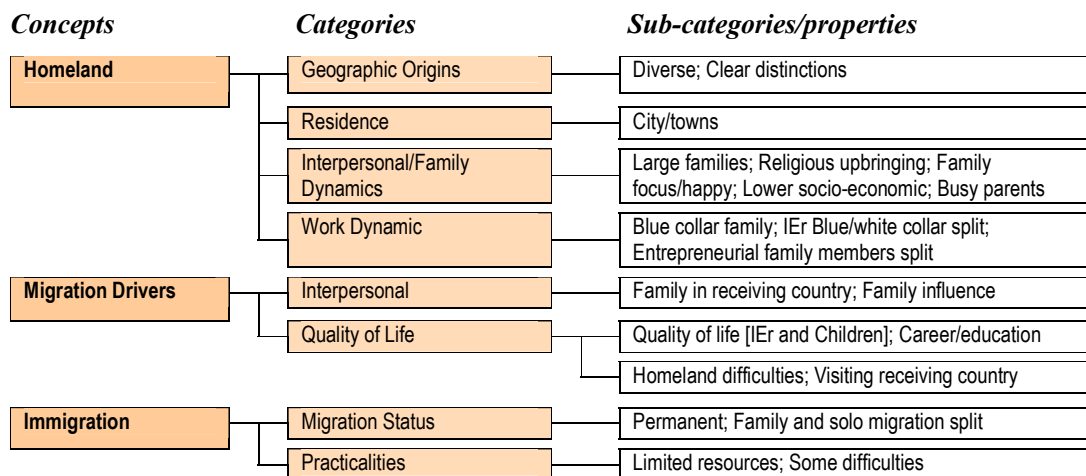


Figure 5: Migration Profile Data Strands

Interpersonal and Family Dynamics

The majority of IERs were from large families (n=25), although there were significant variances between and within the four ethnic groups. For example, established Chinese IERs came from large families while new Chinese IERs were from nuclear families. The size of Dutch and Indian families varied between IERs, while Pacific IERs generally came from large families. Many IERs spoke of having a happy childhood which had a strong family focus (n=17). This statement was most prominent among the Indian cohort (n=7). Of consequence were the Dutch (n=4) and Chinese (n=5) IERs' reflections on a childhood in

which parents were very busy in employment, which appears to be a determinate in the conclusions that these ethnic groups have strong competitive advantage through a strong work ethic and a sense of obligation to work hard (see data stand: cultural profile/ethnic community business strengths/work ethic). Pacific IERS (n=5) were the only ethnic group with significant mixed parental ethnicity.

Religion was identified as an important aspect of the IERS' upbringing and their subsequent personal values, with the majority (n=30) indicating the influence religion had on their personal and business life. Religion was most prominent among Pacific IERS, as all participants identified the importance of faith and church to their everyday lives, community connections, and business networks. Few Chinese (n=3) outwardly placed emphasis on the importance of religion or discussed its influence on their entrepreneurial activities.

Work Dynamics

IERS came from varying socio-economic conditions, although the majority were from lower socio-economic backgrounds (n=22). This is also reflected in their parents' varying work histories, with the largest concentration in blue collar employment (n=26). However, many IERS had experience with family members displaying homeland entrepreneurial prowess (n=23). In fact, over half of the Dutch IERS (n=7) had been immersed in family businesses at some stage in their upbringing. The full cohort of IERS displayed a variety of different blue and white collar work histories before going into business for themselves (which is further developed in the 'learning' concept of the business profile).

5.1.2 Migration Drivers

Interpersonal

Family influence played a strong part in many of the IERS' or their parents' decision to migrate. One third of IERS or parents of New Zealand born IERS had family in New Zealand prior to migrating (n=15). This was most common among Pacific IERS (n=6). A third stated that homeland family or friends intervention had influenced migration decisions (n=15). These finding match Fletcher's (1999) assertion that the most commonly held view in the literature is that the presence of friends or family at the place of destination acts both to encourage the migration decision and lowers the financial and psychological costs

associated with migration. Staying with family in the receiving country is a common characteristic. This issue was addressed in a study of recent migrants (Dunstan et al., 2004), which confirmed that the majority of those immigrants approved for residence offshore stayed with someone they knew, such as other family members, when they first arrived to take up residence. IERS in this study used this path, but not as frequently, or for as long, as suggested in the literature on the general migrant population.

There were significant differences between ethnic immigrant groups with respect to family influence. Pacific IERS' decisions were strongly influenced by having immediate or extended family in New Zealand. The new Chinese IERS stated that there was minimal family connection to their migration decisions, while established Chinese IERS spoke of their parents being sojourners¹⁴ (earning money overseas for their homeland family). Indian IERS also spoke of their parents and established immigrants being sojourners, but new Indian IERS often had family in New Zealand or an arranged marriage connection. Finally, the Dutch felt that family influence had little direct influence on their migration decisions.

Economic or Life Style Factors

The overwhelming personal driver for migration was to improve IERS' and their family's quality of life (n=24). In their conversations, there was an added emphasis on the quality of life for their children (n=15). This driver was confirmed by Dunstan et al. (2004), in the assertion that lifestyle was the main reason for migrating to New Zealand. The driver may be better understood by referring to Poot's (1993) discussion of Sjaastad's 1962 paper, which found that migrants evaluate the 'net present value' of the perceived costs and benefits before deciding when and where to migrate. Poot further argued that there is significant evidence that migrants to New Zealand value 'quality of life' beyond pure monetary gains. For example, safety, cleanness and open spaces were highly valued. Two IERS admitted that New Zealand was only a stepping stone into Australia, while nine IERS commented on migration being 'an adventure', and many of them said they had visited New Zealand prior to deciding to migrate.

Homeland difficulties did play a part in a third of the IERS' or their family's ultimate decision to migrate (n=13). For the Dutch (n=7), a major issue was the aftermath of WWII

¹⁴ A sojourner was a migrant who lived in the host country long enough to make sufficient money to return home with a higher standard of living for themselves and their family.

with subsequent housing difficulties, while political and racial problems were significant for Indian IERS (n=5). Pacific IERS did not identify any homeland difficulties, but commented on the differences in the standard of living between New Zealand and the Islands.

As the discussion suggests 'quality of life' had different meanings for different immigrant groups, and was invariably perceived through different homeland circumstances. As examples, the established Chinese were looking for economic benefits while new Chinese were often considered to be looking for an easier life style. Pacific IERS (n=9) stated education and career advancement (which can translate to achieving a better quality of life) as their main drivers. Indian IERS saw economic and social benefits as paramount, while Dutch reflected on achievement orientation and environmental benefits. Commonalities across groups were firstly the desire to give children a better life. Secondly, the comparable drivers of established versus new migrants – as in, established migrants were historically *pushed* by homeland poverty or injustice and new migrants were *pulled* by New Zealand's perceived benefits.

5.1.3 Immigration

Migration Status

The majority of the IERS or the parents of New Zealand born IERS arrived in New Zealand as permanent residents (n=31), and sought New Zealand nationality (see also data strand: cultural profile/ethnic community/national identity). Some arrived on visitor or education visas and quickly applied for permanent residence. IERS or the parents of New Zealand born IERS arrived as family units with spouse and/or children (n=23) or as an individual (n=19), although within the four ethnic cohorts this was disproportionately split with Dutch (n=8) and Indian (n=7) predominantly arriving as family units, Chinese (n=8) predominantly arrived solo, and Pacific were evenly split between both.

The literature recognised the prominence of family units in migration and settlement. In their study of 691 new migrants to New Zealand, Dunstan et al. (2004) pointed out that living as a couple with dependent children was the most common migrant profile for the

‘Skill/Business’ entry category, while ‘Family sponsored and International/ humanitarian’ migrants lived in a number of different family combinations.

Practicalities

Half of the Dutch, Chinese and Indian IERS stated that there were some practical difficulties in migrating to New Zealand, for themselves or their families. There was evidence in the study of different regulations being enforced in different decades. What seemed evident was whatever the regulatory regime of the time these people persevered and worked their way through the issues. Only one of the Pacific IERS identified any difficulties in migration. This may be as a consequence of the proximity of New Zealand to the Pacific Islands, the New Zealand nationality held by Niueans and Cook Islanders, and the position of economic and social responsibility countries such as Australia and New Zealand have taken towards the treatment of the Pacific Rim community. For example, New Zealand has a specific Ministry of Pacific Island Affairs which is designed to support the New Zealand Pacific community and facilitate policy direction.

A large proportion of IERS or their families arrived with few financial resources (n=26). In fact, the only group in this study that consistently had some financial backing on arrival were the new post-1990 immigrants. This reflected the current points system that required migrants under the skilled/business category to be financially independent (Dunstan et al., 2004). In contrast the traditional Dutch migrants of the 1950s and 1960s were a poor but enthusiastic labour force (Thomson, 1970) and Indian doctors who migrated in the 1970s were sponsored by the New Zealand Government.

A quarter (n=11) of immigrants had little or no knowledge of New Zealand prior to arriving, and in most of those cases they experienced a cultural shock. For example, Chinese arriving in Christchurch from a large city like Beijing, or at the other extreme Pacific people arriving in Auckland from a subsistence level Island lifestyle (see also data strand: settlement profile/arrival/social integration).

5.2 Construct 2: Settlement Profile

The ‘settlement profile’ construct identified the influence of societal/business fit and social perceptions as they impacted on the immigrant entrepreneurs’ entrepreneurial activity. The construct developed strong strands, connecting 995 blocks of coded data from the 77 interviews, with respect to residence, employment, social integration, infrastructure and business integration (Figure 6).

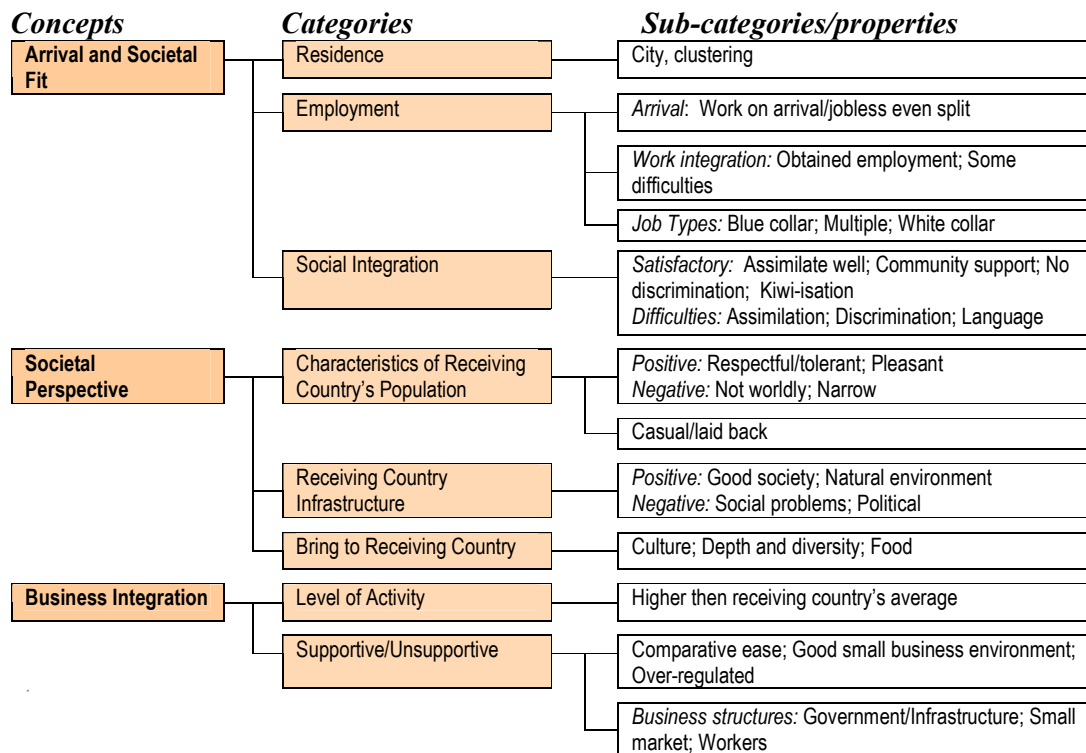


Figure 6: Settlement Profile Data Strands

5.2.1 New Zealand Arrival and Societal Fit

Residence on Arrival

The majority of IERs arriving in New Zealand resided in cities (n=35) (see also data strand: migration profile/homeland/residence/city), principally because they saw the cities as offering the greatest opportunities and infrastructure support. This trend is confirmed by Masurel et al. (2004) who identified that cities appear to be excellent breeding places for the new business activities of people from various ethnic origins. For example, Rath and

Kloosterman (2003) found that immigrants in the Netherlands predominantly resided in Amsterdam. However, as identified previously, some IERs did comment on the cultural shock of residing in New Zealand cities. New Zealand-born Pacific IERs spoke of their migrant parents finding New Zealand cities very daunting, while a new Chinese IER commented on how unpopulated and quiet New Zealand cities were.

Employment on Arrival

Nearly half the IERs had pre-arranged work before arrival or obtained employment immediately on arrival (n=19). In their study of general migration to New Zealand, Dunstan et al. (2004) found that general migrants were less likely to have predetermined jobs and most commonly found their first job in New Zealand by either making direct contact with an employer or through friends and relatives. Dunstan et al. also stated that only twenty percent of migration approved offshore had a prearranged job to come to in New Zealand. This suggests that IERs, with their rapid employment, have a higher level of internal locus of control and proactivity trait of 'making things happen' than the general immigrant population (see also data strand: cultural profile/personal/business perspective), as they had greater levels of pre-arranged work. Furthermore, obtaining employment prior to arriving displays a significant level of self-determination. Some IERs who had arrived without employment prospects (n=12) commented on the difficulties in getting 'suitable' work in New Zealand. This was a concern raised by Dunstan et al. (2004), in pointing out that immigrants - particularly from 'ethnic minority backgrounds' - face formidable barriers to employment opportunities in New Zealand.

IERs experienced some form of employment prior to going into business for themselves (n=36), which reflects similar observations in research by North and Trlin (2004). This study's data suggests that there was a predominance of blue collar employment (n=25) over white collar employment (n=16), although it varied considerably between the four ethnic groups under study. For example, Dutch IERs were mainly blue collar (n=8) while new Chinese IERs were more likely to be white collar. There was some dissatisfaction as to the type of jobs available to some IERs (n=8). A similar view was also expressed in the research by Dunstan et al. (2004), in which they identified the lack of or poor employment opportunities (30 percent) and non-acceptance of their level of skills or experience (41 percent) as the aspects most disliked about New Zealand by immigrants. Mace et al. (2005) identified the barriers of prejudice and discrimination in stating that globally under-

employment of immigrants was relatively common. Duncan et al. (1997) also raised concern over the lack of recognition of overseas qualifications in gaining access to the job market, while Benson-Rea and Rawlinson (2003) argued that the special skills exhibited by immigrants, such as application of language and cultural resources, were under-utilised in New Zealand organisations. Within this study, the lack of job opportunities was often reflected in IERs' comments of frustration at the lack of recognition in the New Zealand labour market of their homeland qualifications, trade skills or natural abilities. Again overseas studies mirrored this experience, as the research by Apitzsch (2004) found that migrant men and women, specifically refugees in Northern Europe (Denmark, Sweden, Germany) and migrants in Southern Europe (for example, Pontian Greek minorities in Greece), were frequently people with good informal qualifications that could not be used in the labour market of their host society. Also in New Zealand, North and Trlin (2004) found that highly qualified immigrants have difficulty securing satisfactory employment. They identified that being skilled does not necessarily guarantee successful settlement, as immigrants face greater barriers to employment than New Zealanders.

A further dilemma related to the earning capability of immigrants. Mace et al. (2005) cited the Winkelmann (1998) research which concluded that income differentials remain between immigrant workers and their New Zealand born counterparts. In researching this drawback Poot (1993) found that migrants tend to follow a trend of lower initial earnings than native born, but then have a higher experience-earnings gradient, and often cross a point where their earnings exceed the comparable native born. Fletcher (1999) offers an explanation for low initial earning power in the fact that human capital (i.e. skills, experience and education) are imperfectly transferable between countries, and that this is higher in New Zealand among non-English speaking background migrants than English speaking background migrants. A second issue raised by Fletcher was that while migrants have knowledge and skills, they need a level of adaptation to the New Zealand business context. This problem was highlighted in some IERs saying that their qualifications were not an issue in applying for work, but their lack of local experience was. Therefore, self improvement appeared to be a major driver for IERs in overcoming this disparity (see data strand: business profile/drivers/financial). What was evident among IERs was that over half had been employed in multiple jobs in New Zealand prior to self employment (n=22), often citing dissatisfaction as a reason for changing jobs. Only four went directly into self-employment on arrival.

Due to this high level of employment among IERS prior to or during their business start-up, they made no reference to any form of government financial social support (although this study did not specifically ask that question). In contrast, Dunstan et al. (2004) identified twenty percent of migrants as receiving core benefits or supplementary payments from the Ministry of Social Development's Work and Income. This suggests that IERS and their families were less likely to use the social welfare system of the host country than the general immigrant population.

Social Integration

Many IERS spoke of having some difficulties with social integration into New Zealand for either themselves or their families (n=27), especially those from culturally dissimilar and non-English speaking backgrounds. The Dutch IERS, as a white European race, spoke of integration being relatively easy. Races of colour found integration more difficult. For example, Indians - as a very adaptable people - had mixed perspectives on integration, while Pacific Peoples and Chinese had the most difficulty and also faced discriminatory political regimes during New Zealand's immigration history.

IERS and their families had often experienced discrimination (n=26). The highest degree of discriminatory practices was against the Chinese, although the Indian and Pacific Peoples also faced significant discrimination in New Zealand. North and Trlin (2004) identified issues of racial abuse and harassment in New Zealand, however, this immigrant entrepreneurship study also identified that many IERS were not affected by it, or that they felt it was no different from that experienced in other countries. Overall the majority of IERS were satisfied with their settlement (n=28), with some stating they had become 'Kiwi-ised' (n=11), in suggesting that they had assimilated into a New Zealand way of life. These sentiments were also expressed by IERS from culturally dissimilar, non-English speaking backgrounds.

Language difficulties were an issue with many IERS (n=26). Poor English language capability, as a settlement issue, was more prominent among established IERS than new immigrants. In support of this finding Dunstan et al.'s (2004) research contended that current migrants had good English language skills as well as being multi-lingual. This study of immigrant entrepreneurship identified that language difficulty often revolved around significant problems with interpretation or the understanding of Kiwi vernacular. Language

was also identified as a barrier to integration (see also data strand: cultural profile/ethnic community/ethnic links). Fletcher (1999) found that the dominant language of the receiving country is a critical factor to both economic and social aspects of settlement and integration. Some IERs expressed a view that language difficulties were a driver of underemployment and low incomes (also evident in Dunstan et al., 2004; Fletcher, 1999; North & Trlin, 2004), but only one IER perceived it to be a major weakness once they had established their business. There was also little identification of fluency in homeland language being a major asset in business (n=1) (see also data strand: cultural profile/ethnic community/language), which also matches Fletcher's finding that "while learning the dominant language is critical, high levels of bilingualism do not appear to give non-English speaking background migrants a positive labour market advantage over those speaking only English" (1999, p. 50).

There was considerable clustering within groups, with the development of ethnic enclaves, but clustering did vary significantly between ethnic groups. The Pacific community was deeply entrenched in Auckland and Wellington enclaves. Chinese frequented particular suburbs, for example, Howick in Auckland or Avonhead in Christchurch. Indians were highly urbanised in a more general city wide distribution, and the Dutch were more reflective of the general New Zealand population distribution.

5.2.2 Societal Perspectives

New Zealanders' Characteristics

Generally there was a lack of any pattern in the IERs' opinions about New Zealanders. A view held by some IERs, especially Chinese and Indian, was that New Zealanders were somewhat naïve and narrow minded (n=12), but they also saw them as pleasant people (n=10). Pacific IERs had concerns as to whether New Zealanders were a respectful or tolerant people. Dutch IERs commented on their frustration with the laid back and casual nature of New Zealanders - especially relating to timeliness. Perceptions showed little consistency between the four groups under study, and reflected the different cultural contexts each group came from, which coloured their perspectives of New Zealanders.

New Zealand's Societal Infrastructure

Overall IERS were positive about the New Zealand societal infrastructure (n=26). IERS across all groups thought New Zealand was a good country to live in. There were some concerns with respect to underlying social problems (n=16) and lack of tolerance (especially by the Chinese). These concerns were outweighed by positive perceptions such as the natural environment (n=16), as many IERS across all groups stated that they loved New Zealand's clean green image and open spaces. This parallels the observations by Dunstan et al. (2004) who stated the things migrants said they liked most about New Zealand were (in ascending order of popularity) the climate/physical environment, friendly people, safety, educational opportunities and the ability to achieve one's desired lifestyle. North and Trlin (2004) identified positive perceptions such as an uncomplicated and straightforward society, decency and honesty.

What Immigrants Bring to New Zealand Society

With respect to what ethnic communities brought to the New Zealand way of life, cultural depth and diversity (n=23) rated highly among the Indian, Chinese and Pacific IERS. The only other significant influence identified by IERS was the introduction of ethnic cuisine (n=20). North and Trlin (2004) also confirmed that immigrants brought their cuisine, but also argued that they further enrich society through the introduction of new products and by facilitating the export potential with their home countries. Dutch IERS did not believe the Dutch community brought anything of cultural significance to New Zealand society - which may reflect their strong assimilation mindset. Indian and Pacific IERS, in contrast, had the view that their communities offered a great deal to New Zealand's cultural development. If anything, they believed their contribution was undervalued by New Zealanders.

5.2.3 Business Integration

Level of Business Activity

Due to the nature of this study's methodology (i.e. the selection of IERS through theoretical sampling), the level of self employment within each ethnic group could not be gauged from the data. However, this study did identify that the Pacific community had predominantly second generation IERS (n=8), whereas the other three groups had a significant number of first generation IERS. The international literature states that it has been observed in many

countries that self-employment rates vary considerably between different ethnic groups (e.g. Collins, 2003; Hammarstedt, 2002). The New Zealand Census 2001 (Statistics New Zealand, 2001a) also identified marked differences in the level of entrepreneurial activity between the four ethnic groups under study. From the census data the following percentages were calculated for *'self-employed with employees,'* within the workforce aged 15 years and over: Dutch 10.3 percent, Chinese 9 percent, Indian 5.6 percent and Pacific Peoples 1.5 percent. The census data for *'self-employed and without employees'* offered similar disparities with: Dutch 19.1 percent, Chinese 15.1 percent, Indian 11.6 percent and Pacific Peoples 4.1 percent. In both cases Dutch and Chinese levels were higher than the New Zealand population average (Table 3).

Table 3: Immigrant Demographics

(Resident population aged 15 years and over, 2001)

Ethnic Group		Dutch	Chinese	Indian	Pacific Peoples	New Zealand Population
Self-employed with staff		10.3%	9.0%	5.6 %	1.5%	7.5%
Self-employed without staff		19.1%	15.1%	11.6%	4.1%	12.4%
Income		\$17,100	\$9,000	\$16,000	\$14,000	\$18,600
Highest Qualification	University degree	11.1%	20.2%	21.4%	3.2%	10.9%
	Vocational	20.9%	9.5%	13.4%	10.8%	18.3%
	School quals	48.3%	47.5%	40.5%	39.0%	35.7%
	None	11.8%	13.7%	13.0%	29.3%	24.6%
	Not stated	7.9%	9.1%	11.7%	17.7%	10.9%
Years since arrival (prominent time frame)		35.2 (20< years)	5.4 (5-9 yrs)	5.7 (10-19 yrs)	14.9 (20< years)	13.4* (20< years)
Age		43.8	29.2	29	21	34.7*

* Includes New Zealand immigrant population only

Source: Statistics New Zealand. 2001 Census. Wellington.

The factors that contribute to these statistics are difficult to define, as comparisons to other demographic data give no clear relationships (Table 3). For example, Dutch as the highest self employed group also rate highest in income, while Chinese (second in self employment) rate the lowest in income. Similarly, vocational qualifications lack any clear trend. University qualifications appear to have an inverse relationship to self-employment levels, except in the case of the Pacific Peoples - who rated lowest in both. This observation matched the data collected in the immigrant entrepreneurship study, where Pacific IERs'

academic qualifications were the lowest within the four groups under study (see data strand: business profile/learning/academic), although Pacific IERs were the most likely to undertake learning post business start-up. The overall lack of any qualifications offered no clear relationship to entrepreneurial activity except again in the case of the Pacific Peoples, where they rated lowest in both.

In the census data, an older average age for the ethnic groups under study appears to have a relationship to a propensity for self-employment, but this is far from conclusive and would require greater investigation before any definitive relationship could be confirmed. The only clear outcome was that the Pacific Peoples rated poorly (i.e. third or fourth) in all self-employment, income and qualification statistics, while Dutch related well (i.e. first or second) in these factors. How precisely these factors impact on the propensity for self-employment (immigrant entrepreneurship) is inconclusive and difficult to quantify, as other factors identified in this study may have a significant impact (see business and cultural profiles).

Supportive Factors

Again there was a lack of any strong patterns with respect to the ability to integrate into the New Zealand business scene. The main theme was the comparative ease by which business start-ups could be undertaken in New Zealand (n=17), with three IERs commenting that it was “too easy.” Other IERs suggested that New Zealand had an environment conducive to SME development (n=10). Only Pacific IERs did not reflect on the comparative ease of business start-up in New Zealand.

Unsupportive Factors

Overall, regulations and costs related to compliance was viewed by IERs as problematic (n=16). The view that New Zealand immigrant businesses were encumbered with bureaucratic requirements and compliance costs was also highlighted in the literature (Duncan et al., 1997; North & Trlin, 2004). Furthermore, most established IERs suggested that compliance requirements had worsened over time. Interestingly, many of the IERs were philosophical about the regulatory environment (n=8), and simply got on with their businesses by dealing with the regulations rather than letting it disrupt their progress.

There was some comment by IERs (especially Pacific IERs) on the unsupportive business infrastructure in New Zealand (n=12). This was with respect to perceptions of an

unsupportive government and unhelpful business agencies such as financial institutions (see also data strand: business profile/finances/challenges). Kontos (2004) suggested IERS' requests for support often fell on deaf ears within bureaucratic halls of national and local government, as they believed that immigrants possessed 'ethnic' resources. That is to say those immigrants are already well provided for through ethnic networks and channels, and therefore did not need the additional support of public policy.

New Zealand was also viewed by Chinese and Indian IERS as being too small and isolated to facilitate strong business performance (n=11), and therefore some IERS looked to overseas for greater opportunities. Duncan et al. (1997) discussed the size issue in respect of the differing homeland and New Zealand context. They said that there is a question of critical mass - either with respect to the size of the host economy or the relative/absolute size of particular migrant groups in New Zealand. New Zealand's relative small economy and small minority populations diluted the impact on business when compared to international cases with large economies and sizeable ethnic enclaves.

Overall IERS experienced a wide range of business outcomes in New Zealand, from total satisfaction through to frustration and disappointment. As recognised by North and Trlin (2004, p. 110): "At one extreme the environment was perceived as being relatively straightforward, a place where you had the chance or opportunity to do something new, while at the other extreme it was seen to be over-regulated with a difficult, conservative market."

5.3 Construct 3: Cultural Profile

The 'cultural profile' construct identified personal, family, homeland and cultural influences, and its impact on the immigrant entrepreneur's business activities in the receiving country. The construct developed strong data strands, connecting 2,299 blocks of coded data from the 77 interviews, with respect to the immigrant entrepreneurs' roles as an individual and as a community member (Figure 7).

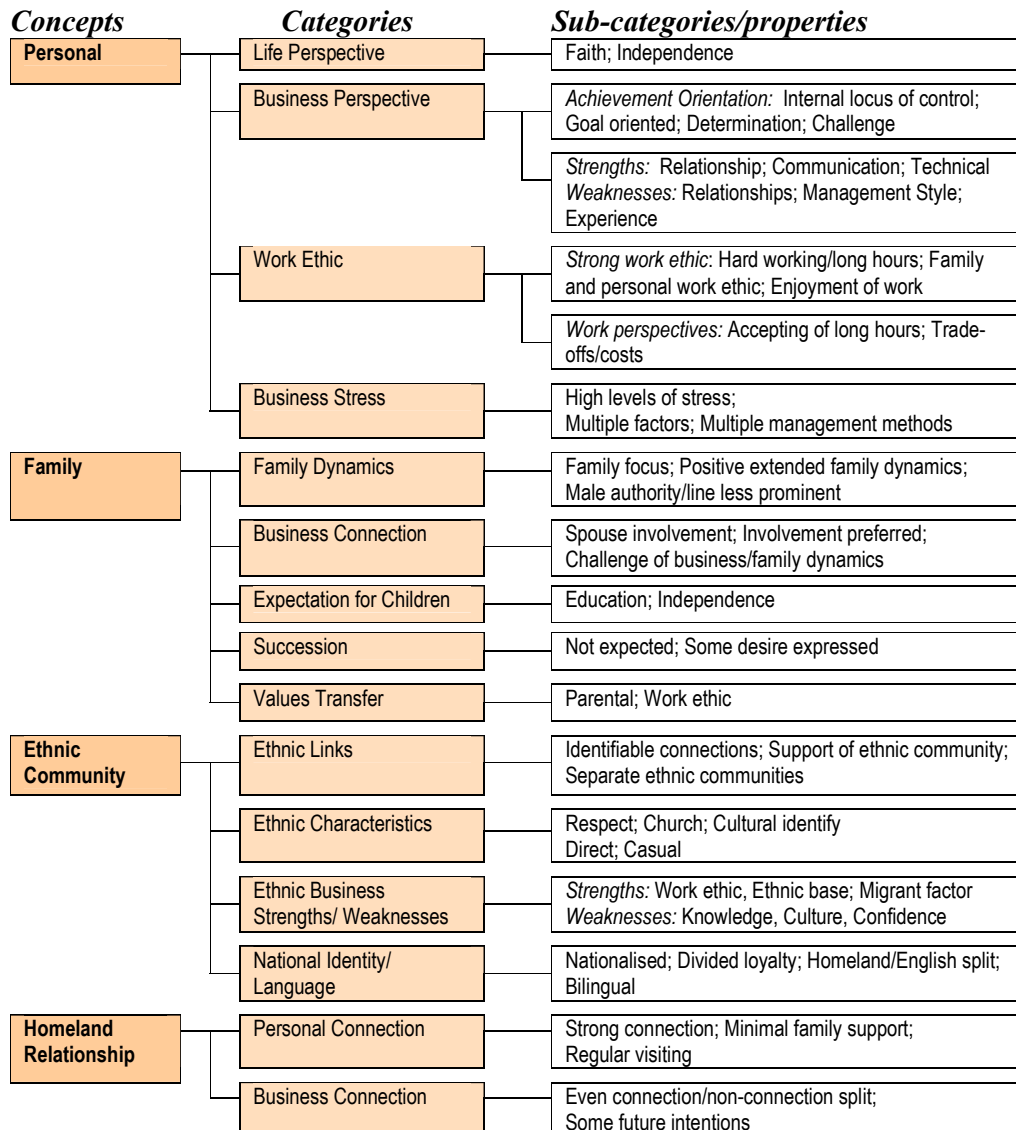


Figure 7: Cultural Profile Data Strands

5.3.1 Personal

Life Perspectives

The personal concept developed a strong data strand with respect to the IERs level of ‘faith’, as in the importance of religious values and belief in a higher power influencing every aspect of their lives (n=24). This was particularly relevant to Pacific IERs (n=10) as interviews highlighted the community bond of the Pacific people through their church and their personal relationship with God. The Dutch referred to the importance of faith with respect to the need for Christian values in business such as fairness and hard work (n=5).

This theme is evident throughout discussions in the other constructs, as the Dutch and Pacific IERS had raised the issue of faith as an important feature of their upbringing (see data strand: migration profile/homeland/family dynamics/religious upbringing) and its influence on their attitudes to business (see data strand: business profile/philosophies/ethical practices). The Dutch IERS commented on the ‘service through hard work’ perspective of faith and the need to be thankful, while the Pacific IERS focused more on the relationship aspect of their connection with God and translating that through to a strong connection to their community. Indian IERS on the other hand, through their diversity of spiritual expression, tended to view it as a natural all-encompassing aspect of their existence (Wilson, 1980). Therefore Indian IERS were less inclined to emphasise its impact on their lives as they felt this was self evident. For the Chinese IERS, their discussion of values and beliefs were not strongly reflective of religious affiliations, and few spoke of the importance of faith in their business practices.

A further classification of the personal concept identified independence as being a strong factor with IERS (n=18), although this was most evident in the Dutch IERS (n=9). It was less evident among Indian IERS, and for Pacific IERS only one interviewee identified independence as important. The need for independence does have parallels with the business driver of autonomy (see data strand: business profile/drivers/personal/self actualisation), although in the business profile, autonomy was more consistent across all groups. This variation may be attributable to the fact that even though all IERS want a level of autonomy, the Pacific IERS’ strong sense of collectivism (rather than individualism) and Indians’ spiritual connectedness made for a higher level of interdependence within their personal value set.

Business Perspectives

Achievement orientation was reflected in a strong ‘internal locus of control’¹⁵ (ILOC) among all IERS (n=34). They felt in control of their lives, thus were more accepting of the environment they were in, and were more effective in finding solutions to any problems - hence they exhibited proactive characteristics. This is supported by Whybrow (2005, p. 57) in writing that for both male and female migrants “it is the emotional adjustment in their homeland - before they migrate - that predicts how well émigrés will adjust in the new

¹⁵ Locus of control is the extent to which the individual believes that future events can be influenced by their actions (Williams & Narendran, 2000).

country.” He went on to say that a sense of responsibility for one’s own destiny has emerged as a positive outcome of many studies. Interestingly, Wybrow argues that emotional dependence on others was associated with a poor performance in the host country. This is perhaps in conflict with a general view of the benefits of collective community values, as expressed in Pacific Island culture where emotional and financial support of new arrivals is very strong.

The IERs’ proactive characteristic within the achievement orientation was further reinforced by the goal setting trait (n=30). A few IERs saw little value in goal setting (n=4), but overwhelmingly they set objectives and targets, which met their own values and achievement needs, as part of their personal and business routines. The achievement orientation was reinforced by the Apitzsch (2004, p. 47) study of ethnic entrepreneurs, in referring to their personal style and proactivity: “Decisive to success in each case was a highly personalised form of business diligence and networking, where the new entrepreneurs emphasised the need to develop one’s own abilities for creativity and innovation without reference to any approved canon of practices.” Also Wybrow (2005) stated that they are independent-minded, socially competitive and restless.

Determination was also prominent (n=23), and important when considered in conjunction with the challenges IERs face in establishing their businesses and lives in New Zealand (see data strands: business profile/finance, and settlement profile/arrival and societal fit). Determination and perseverance were common among all IER groups except the Pacific IERs.

With respect to their strengths and weaknesses, good interpersonal skills were considered a strength by all IERs (n=24), but poor interpersonal skills were also considered a weakness by Dutch and Pacific IERs (n=15). IERs generally rated their technical skills highly (n=17), seeing themselves as skilful in their profession. Lack of management experience was commonly rated by all IERs as a significant weakness (n=27). With the exception of Pacific IERs, they preferred to focus comments on their strengths rather than their weaknesses. Pacific IERs’ prominence in reflections on their weaknesses points to a low business confidence and a cultural propensity for humility (see cultural profile).

Work Ethic

Strong work ethic was revealed as a prominent feature of this study within all IER groups. The descriptors 'hard working' (n=31) and 'long hours' (n=40) were common themes in this category. The literature reveals similar patterns, for example, North and Trlin (2004) identified that sixteen of the twenty six participants in their New Zealand study worked 50-99 hours per week, and one worked over 100 hours. IERs in this study spoke of long hours often being a necessity because of lack of capital (see data strand business profile/finance/challenges). The Dutch IERs (n=10) and Chinese IERs (n=7) highlighted the importance of the family influence in their development of a strong work ethic. In general among all four groups there was an acceptance of the need to work long hours (n=17), however, this came through strongest for the Dutch IERs (n= 6) and Indian IERs (n=6). The concept of a cultural and family based work ethic is supported by Kloosterman et al. (1999) who stated that many immigrant entrepreneurs and their families have different sets of preferences that are rooted in the home countries and allow for acceptance of long hours and low pay. The literature also argues that the 'migrant factor,' rather than any particular ethnic group, influences work ethic. The migrant factor suggests that most immigrants are eager, seek social advancement, are productive workers, and work hard at even mundane tasks (e.g. Benson-Rea & Rawlinson, 2003; Whybrow, 2005). This suggests that the very fact that they are migrants and have the motivation to start a new life means they have the temperament to work harder. This view was reflected in comments of the IERs (n=12). Never-the-less, the cultural and family influence on work ethic should not be underestimated, as identified in this study and the literature (e.g. Lane, 1972; Li, 1993; Ng, 2001; Schouten, 1992; Tiwari, 1980). For example, the second generation IERs who were born in New Zealand do not have the 'migration factor' as rationale for their strong work ethic, yet it still exists. Clearly other factors must contribute as identified in this study where, for example, twelve of the fifteen second generation IERs identified the presence of a powerful family influence in their development of a sound work ethic. Furthermore, within the full cohort of IERs, culture was identified as an important influence on work ethic (n=22).

The Dutch IERs (n=8) highlighted their enjoyment of work, while the Indian IERs reflected on their inability to create a work-life balance. Many IERs were conscious of the personal trade-offs necessary in working long hours (n=14), and as a consequence they spoke of reducing their hours over time (especially the Pacific IERs) as they establish their businesses (n=16). One reason given for wishing to reduce hours was that IERs identified New

Zealand's quality of life (e.g. clean, green and open spaces) as a major factor that contributed to their original migration decision (see data strand: settlement profile/societal perspective/receiving country's infrastructure/positive). They were therefore conscious of taking advantage of that quality of life ahead of purely material gains.

Business Stress

This study identified that IERs did suffer from stress in their business activities (n=30). The catalysts were generally the long hours they worked, and manifested itself through interpersonal or business problems. Their means of dealing with stress varied considerably, from physical activity to music and television, and from faith to displaying mental toughness. The data did suggest an individualistic approach to dealing with stress by many of the IERs, whereas the literature (e.g. Whybrow, 2005) suggests that interpersonal relationships rather than material attainment are a buffer to the stress of everyday living. This is where family and community can play an important role in immigrant entrepreneurship. But apart from Pacific IERs, there was no strong evidence in this study that IERs adequately used this mechanism in dealing with stress.

5.3.2 The Family

Dynamics

Strong family focus was evident across all IER groups (n=27). They emphasised the importance of the family unity, and Indian IERs claimed family came before business. For Pacific IERs, the family focus also included extended family¹⁶ (n=10). Chinese IERs (n=4) and Indian IERs (n=5) also reflected on extended family obligation but to a lesser extent, and that obligation was negligible in the Dutch IERs (n=1). As Elliott and Gray (2000, p. 23) attested "the key relationships within families where obligatory ties exist vary considerably from culture to culture and with individual circumstances."

Male line dominance was not a strong factor in this study's findings, which is contrary to the literature. As the Dunstan et al. (2004) study of New Zealand immigrants attests, the male line is particularly important in countries such as China and India, while the Pacific

¹⁶ Elliott and Gray (2000) refer to extended family as: related by blood or adoption, or often no-kin or distant kin that are informally adopted into the family network.

Peoples pay attention to descent on both sides. Dunstan et al. state that in all cases authority remains with the males and domestic support, personal care, and responsibility for maintaining cultural and family values remains with the females. This study did not confirm these assertions, preferring to argue that the needs of the business often required greater teamwork between spouses (see data strands: business profile/learning, and cultural profile/family/business connection) and therefore reduced the authoritarian predisposition. Immigrants also placed a strong emphasis on all children (male and female) displaying independence and focusing on education and high achievement (see data strand: cultural profile/family/expectations for children), therefore reducing (although not necessarily eliminating) some of the culturally based family line traditions. This study did identify a dominance of male owned businesses (n=31), which matched findings in the international literature (e.g. Hammarstedt, 2004).

Family dynamics and its impact on business activities varied considerably between the four groups. For example, the Chinese family system appeared orderly, disciplined and structured around the progression of the next generation, whereas the Dutch family structure appeared to revolve more around individual expression and progression. Also, Pacific IERs focused on meeting extended family obligations through their business activities, while Indian IERs spoke more of immediate family obligations.

Business Connection

All IERs across the four groups had some form of family member involvement in their business (n=38), except where they were new immigrants with no family in New Zealand. This strong family involvement was also apparent in the North and Trlin (2004) study and was reinforced by Hunter's (2007) finding that family ties in commercial activity were the most common form of social capital. This has been termed entrepreneurial familism (Li, 1993), as the pervasive economic ethos with the family as the basic unit of economic competition.

The number of spouses working in IERs' businesses was also significant (n= 24), and their considerable contribution was valued by the IERs (see also data strand: business profile/learning/second party). Hammarstedt (2004) identified an indirect connection between the 'spouse factor' and immigrant businesses by stating that marriage provides stability and therefore is a suitable background for self-employment.

Many IERS did admit that the family-business dynamics were challenging to manage (n=24). This was most prominent among Pacific IERS (n=10), which reflected the difficulties they experienced in balancing a stronger sense of (extended) family obligation against business expediency. But conversely, Pacific IERS were also most prominent in identifying the benefits of family involvement (n=9), such as trust and loyalty. Overall IERS preferred family involvement in their businesses (n=27). This is also supported by Hammarstedt (2004) who argued that family support may make self-employment less demanding than it would otherwise be, and Collins (2003) who suggested that family are considered trustworthy and committed to the business. Although it was not expressly stated by IERS in this study, international research suggested that much of the family support forms part of the informal labour market for cheap and flexible labour (Dana & Dana, 2003, Min & Bozorgmehr, 2003; Salt, 1992), which could be deemed as a major source of competitive advantage for IERS. Menzies et al. (2003) suggested that paid and unpaid family labour was heavily relied upon as part of the entire business workforce, and that this was often the major distinction between ethnic businesses and those run by nationals. Irrespective of the benefits, some IERS did have mixed (n=16) or negative (n=6) feelings about family involvement.

Expectation for Children

IERS generally expressed their desire to allow children to display independence and find their own way in life (n=22), as opposed to being tied to the family business. Six IERS did not have children so did not consider this issue. For the rest, the priority was their children's education (n=26), and in the case of Pacific IERS, this focus on education often included extended family or the broader community. This educational focus generally delivered positive outcomes to the IERS' family and second generation IERS. For example, Poot's (1993) reference to studies in the United States (citing Chiswick, 1986) found that men with foreign-born parents had five to ten percent higher earnings than comparable native-born men. Further studies in Australia (Poot, 1993) found that there was clear evidence that migrants invest more in the education of their offspring than the native born, and that the second generation does relatively better in the labour market as a consequence. This study highlighted that IERS understand the benefits of education for themselves, but more importantly for their children. They intrinsically appear to sense what Kontos (2004) asserts in his paper on ethnic entrepreneurship: that education has long been acknowledged

as an important resource for not only entrepreneurial activity, but also for integration into meaningful and well paid employed work in the private and public sectors.

Generally succession was not expected (n=22), although some IERS stated that they would be happy to have their children take over the business if they so desired (n=18). In nine instances, especially Dutch (n=6), succession had occurred. Only five IERS stated that they were adamant that succession would not occur (again four being Dutch).

Values Transfer

The IERS also spoke of the transfer of values within the family, citing parental influence (n=38) as important to their development (see also data strand: business profile/learning/role models). Fathers emerged as the strongest influence, which coincides with other studies on gender's influence on entrepreneurial behaviour (e.g. Kirkwood, 2007). The major value transfer did revolve around work ethic (n=21), and was very prominent in discussions with Dutch IERS (n=9) (see also data strands: cultural profile/personal/work ethic, and migration profile/homeland/interpersonal-family dynamics).

5.3.3 Ethnic Community

Links

IERS generally displayed a connection to their ethnic community (n=34). Pacific IERS (n=9) displayed the strongest connection to their community, while the Dutch IERS (n=8) spoke the most of having little or no connection. Indian IERS (n=9) and Chinese IERS (n=6) indicated a lack of ethnic cohesion (as discussed in the migration profile). Indian immigrants identified themselves with different regions of India, and highlighted the provincial differences regarding language, religion and culture. Within the New Zealand Chinese community established Chinese differentiated themselves from the new immigrants, and Pacific people valued their distinct Island identities (refer back to data strand: migration profile/homeland/geographic origins). The lack of cohesion is also supported by Poot (1993) who discussed intra-group differences in Pacific communities, and Fernandez and Kim (1998) who suggested all ethnicities have intra-group differences such as gender, marital status, length of residence and English proficiency. Despite these differences Masurel et al. (2004) concluded that ethnic groups tend to cluster in large cities

to take advantage of the social capital related to a critical mass of ethnic customers and informal networks. Clustering was not a prominent theme in this study, except in the case of the Pacific community. Min and Bozorgmehr (2003) argued that ethnic resources are less important for contemporary immigrant business, especially professional businesses, although they admitted that ethnic resources are still important for the ones located in ethnic enclaves. In the New Zealand context, enclaving relates to the Pacific communities and to a lesser extent Chinese communities.

IERS' sense of obligation to support and engage with their ethnic community (n=19) varied considerably between groups. Pacific IERS (n=8) discussed their obligation to their ethnic community and the taking of leadership roles in their community. For the Dutch IERS this was not a prominent feature, as it ran contrary to their assimilation tradition. Throughout the full cohort of IERS, associations and societies (n=11) were the most prominent community connection, followed by ethnic churches (see data strand: cultural profile/personal/life perspective/faith).

IERS also spoke of supporting their ethnic community through their business activities (n=12). North and Trlin (2004) identified that a large number of self-employed migrants mentored and supported new migrants into entering business, which relates to IERS in this study seeing themselves as role models (as identified earlier in business profile/learning/role models). Generally IERS had mixed views about employing people from their ethnic community. One factory visited during this research employed solely ethnic community members, restaurants and cafes visited during this research employed predominantly but not exclusively ethnic community members, and other businesses employed across ethnicities. Only a limited number of IERS specifically stated a strong position of commitment to employing from their own ethnic group (n=14), which is also reflected in the variances identified in the international literature (e.g. Guerassimoff, 2003; Menzies et al., 2003).

Interaction with the broader New Zealand community (n=13) was not as prominent in the discussions with IERS, which may reflect a level of separatism in the infrastructure (see data strand: settlement profile/social integration/difficulties). This is problematic as Whybrow (2005, p. 229) states "meaning is found in the social bond," and therefore a sense of disconnection may hinder settlement and business performance of IERS.

Characteristics

In analysing the IEr cultural profile there were considerable differences of perspectives between and within the four ethnic groups as to their community's cultural characteristics. This matches the geographic disparities in national cohesion that were identified in an earlier section. Some data strands that were of significance within this study were the portrayal of respectfulness (n=15) by Pacific, Indian and Chinese IEs. In particular was the importance of respecting their elders' knowledge. However, this was not such an identifiable trait in discussions with the Dutch IEs. Church was identified as important to the Pacific community (n=7) (see also data strand: migration profile/homeland/interpersonal-family dynamics), while a unique culture was highlighted by Pacific IEs (n=5) and Chinese IEs (n=5) as important to their community's core identity. A level of bluntness and stubbornness was identified by the Dutch IEs as typical of their community (n=7). This trait was not readily appreciated by New Zealanders, and had created conflict for the Dutch within the workplace and business sector (see data strands: business profile/learning/external, and settlement profile/social fit/integration). On the other hand, Pacific people were viewed as being more casual (n=6), which was equally viewed as either a strength or a weakness in business by Pacific IEs.

Business Strengths and Weaknesses

A culturally grounded work ethic was seen as the major business strength by IEs (n=22), especially those from Chinese (n=7) and Dutch (n=9) origins (see also data strand: cultural profile/personal/work ethic). North and Trlin (2004) agreed by stating that the popular view of go-ahead and ambitious immigrants, who start with nothing and through sheer hard work become highly successful, was borne out by some in their study - but not all. Within this study Indian IEs viewed their flexibility (n=4) as their major business strength. Furthermore, Indians IEs (n=8) and Pacific IEs (n=6) saw their ethnic characteristics as a culturally based business strengths. Kontos (2004, p. 60) cites Light (1999) as identifying typical forms of ethnic resources as "kinship and marriage systems, relationships of trust, ethnic-derived social capital, cultural assumptions, religion, native language fluency, a middleman heritage, entrepreneurial values and attitudes, rotating credit associations, reactive solidarity, multiple social networks, employer paternalism, an ideology of ethnic solidarity, and a generous pool of underemployed and disadvantaged co-ethnic workers." Within the context of this study extended family (including kinship and marriage), cultural assumptions, religion and social networks (not necessarily ethnic) did rate highly

throughout the constructs previously discussed. While Heibert (2003) spoke of IERS obtaining capital, recruiting labour and conducting trade across national borders, as significant advantages of ethnic enterprises, such factors were evident amongst individual examples in this study but were not predominant themes in any specific ethnic group. Furthermore Duncan et al. (1997) argued that immigrant businesses were more likely to survive than native owned because of the higher personal independence, balanced risk-taking and self-motivation.

Kontos (2004) found that individuals endowed with 'class resources' - that is, access to economic, educational and social resources of certain types of group members as opposed to ethnic resources which are those available to all (Fernandez & Kim, 1998) - show a higher propensity for entrepreneurial activity than those without class resources. This study did not refute this assertion, but it could not without reservation confirm this phenomenon, as some IERS had severely limited resources yet achieved business success. Furthermore, the question of 'what if' they had class resources is unanswerable in the confines of this study's methodology, although there was a propensity for new IERS to use class resources more vigorously than ethnic resources, which backs observations by Kontos (2004).

Pacific IERS, in fact, saw their cultural background as sometimes being a weakness (n=8), as well as lack of business knowledge and skills (n=7) - which may be the rationale behind their comments about the Pacific community lacking in confidence with respect to business activities (n=6). Lack of business knowledge and skills was also considered to be an issue (but to a lesser extent) by Chinese IERS (n=4), as was language (n=4). Duncan et al (1997) in their study of New Zealand immigrants, found that immigrants believed that their English language skills were not of a sufficient standard to give them confidence in business, and that they were unfamiliar with the New Zealand business culture and different attitudes to business. Dutch IERS did not reflect greatly on any weaknesses, although one commentator did highlight their stubbornness as a limiting factor.

National Identity

Nearly half the IERS admitted feeling a mixed sense of national identity (n=18), and this was similarly evident among second generation New Zealand-born IERS. They often appeared to live in both worlds - New Zealand social norms and their ethnic cultural norms. They commented on how their differentiating characteristics such as accent or colour acted as a

divider in New Zealand society. Six IERS suggested that they can never be true New Zealanders. There were IERS who stated that their roots were in New Zealand (n=13), while others clearly identified with their homeland (n=15). Therefore there wasn't a strong unified national preference or identity among IERS, although generally, from a legal perspective, they were New Zealand citizens (n=35), which would suggest they saw significant value in New Zealand documentation - even if emotionally their allegiance was elsewhere. A further observation was that the concepts of nationality and identity should not be linked in this study. For example, Dutch IERS had the strongest New Zealand identity yet were the most likely to retain their homeland nationality, while new Chinese and Indian IERS had the strongest homeland identity but had become nationalised New Zealanders.

Some Indian IERS also commented on their concerns with the development of ethnic enclaves (n=3), which they felt would further alienate and disadvantage migrants, as well as damage the host country (see data strands: settlement profile/social fit/integration/difficulties, and cultural profile/ethnic community/language).

Language

Language was also linked to identity, with the IERS evenly divided between emphasis on their ancestral language (n=17) and English (n=21), although there were significant variances between groups. For example, English was emphasised by Dutch and Indian IERS and homeland languages by Chinese IERS. Most Pacific IERS were born in New Zealand and hence grew up with English as their first language. A strong theme was for bilingualism (n=16), especially among Indian IERS (n=5) and Chinese IERS (n=5). This mirrors the Dunstan et al. (2004) study which suggested migrants came to New Zealand with a range of other language skills, with around two-thirds speaking more than one language well. Similarly North and Trlin (2004) identified migrants as being able to speak, read and write two to three languages, with over half using languages other than English at home. This multilingual ability of IERS was identified in the literature as an important asset in the global economy. Watts and Trlin (1999) stated that it was often underrated as an asset by host countries. North and Trlin (2004) suggested that rather than seeing multilingual ability as an asset, most self-employed immigrants dwelled on their poor English, and saw this as a barrier to employment and societal integration in New Zealand. This again mirrors perspectives identified earlier in this study, that language was viewed as a major

disadvantaging factor by IERS (see data strand: settlement profile/arrival and social fit/social integration /difficulties).

5.3.4 Homeland Relationship

Personal Connection

The majority of IERS had some form of personal connection to their homeland (n=33), except for established Chinese. They saw the homeland family connection as important, and many IERS had made regular visits to their homeland (n=31), or were planning visits in the near future (n=6). Some IERS did spoke of eventually returning to live in their homeland (n=11). Dutch IERS generally displayed the least desire to maintain connection to their homeland (n=6). A similar pattern was evident in established Chinese IERS. An overall pattern in this study was that the strength of the 'homeland connection' had an association with geography (homeland distance and New Zealand ethnic clustering) and length of time in New Zealand. For example, Pacific IERS retained their culture though being geographically close to their homeland, having regular exposure to new immigrants arriving in New Zealand, and having lived predominantly in urban residential enclaves - even though they were predominantly second generation; whereas the Dutch IERS had often relinquished the cultural connection which may be a consequence of geographical distance from their homeland, having generally lived in New Zealand for several generations, and being residentially dispersed.

Few IERS spoke of the need for their business to support family in their homeland (n=5). Strongest were Pacific IERS, with their culturally based family obligation and impoverished homeland communities. There was no mention of obligation from Chinese IERS because new Chinese came from affluent backgrounds and the established Chinese were now 2nd and 3rd generation and thus less connected to the ancestral Chinese family base. But overall, as discussed earlier, many IERS spoke of having New Zealand family obligations in business (see data strand: cultural profile/family/dynamics).

Business Connection

Business connections were rather limited (n=14), but IERS spoke of their intentions to generate business connections (n=15). This was highest among the Pacific IERS (n=7) and

lowest among the Dutch IERs (n=2). This is in contrast to the literature's argument that positive benefits of immigration are the valuable links with other cultures and markets (Benson-Rea & Rawlinson, 2003). Unfortunately, a further factor holding back IERs' international business may be that established New Zealand businesses seem to be hesitant to utilise immigrants' overseas contacts (Janes, 2006).

5.4 Construct 4: Business Profile

The 'business profile' construct identified the catalysts for entrepreneurial activity, the business drivers, human and financial capital capability, and the philosophies by which the immigrant entrepreneurs run their businesses. The construct developed strong strands, connecting 1,899 blocks of coded data from the 77 interviews, with respect to external factors (family and non-family) influencing immigrant entrepreneurs' business start-up and behaviour (Figure 8).

5.4.1 Business Drivers

Financial and Business

Financial considerations - specifically material rewards and security (n=23) - were business drivers for IERs in all four groups, however, nearly half clearly pointed out that personal wealth beyond financial security was not the driving force (n=18). Chinese IERs did, nevertheless, connect wealth with status and standing in the community, while Pacific IERs' desire to improve their financial position was often driven by collective rather than individual needs. For most IERs business reputation and sustainability (n=25) rated higher than financial considerations. Reputation was particularly important for the Dutch IERs, and acceptance was important for the Indian IERs. This perspective of intrinsic business drivers appeared to be a catalyst for IERs' willingness to re-invest profits (i.e. personal capital funding) into their businesses growth (see data strand: business profile/finances/access to capital).

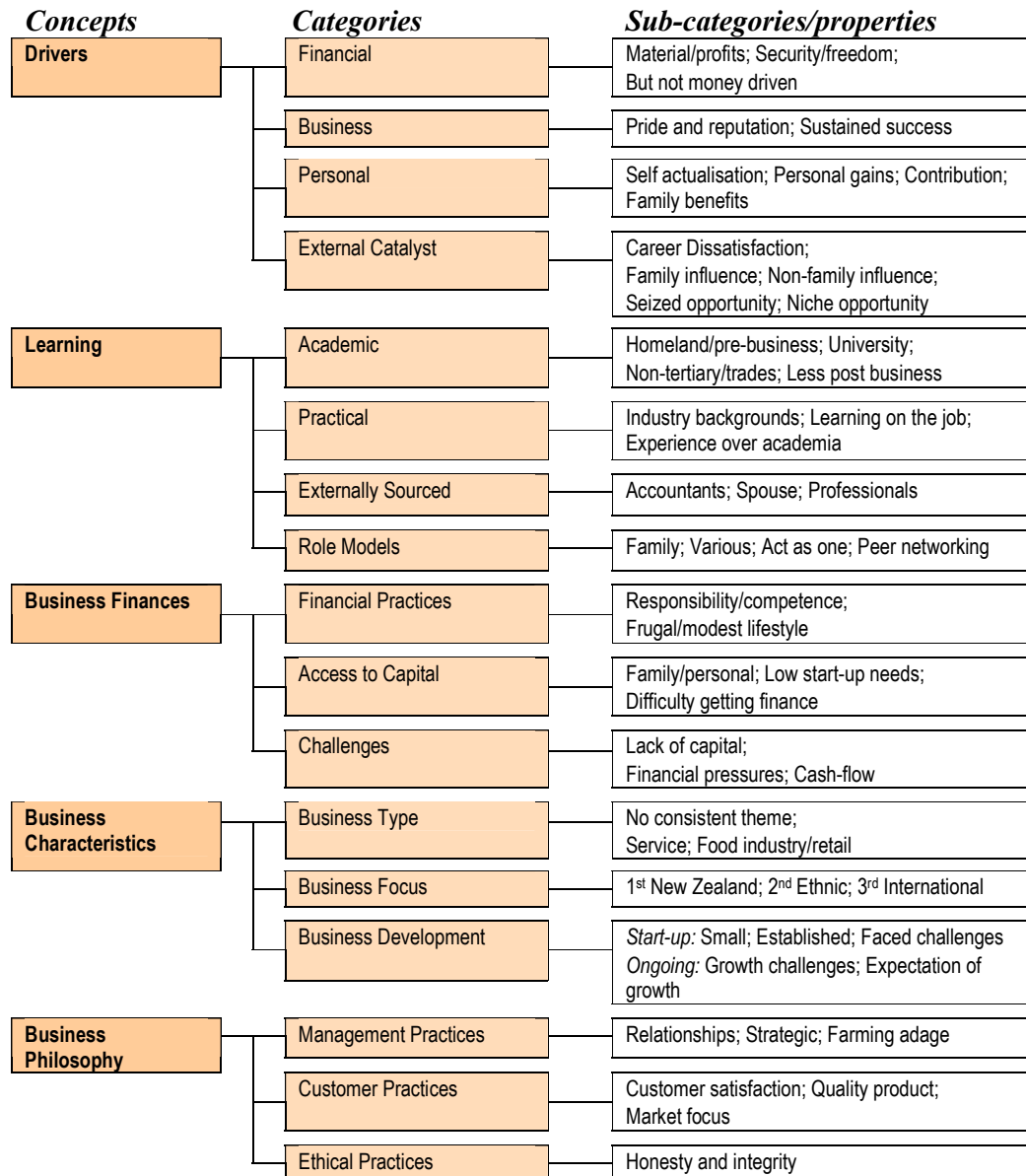


Figure 8: Business Profile Data Strands

Personal

Self actualisation as a driver was very prominent with all IERs. The personal need for autonomy also rated very highly among IERs of all four groups (n=28). Many IERs did not like being told what to do and hence were independent minded. North and Trlin (2004), in their study of New Zealand self-employed migrants, also drew attention to autonomy and independence as frequently offered reasons for going into business. The need to be challenged and to achieve rated highly (n=23), especially among Pacific IERs (n=8) and Dutch IERs (n=7). Whybrow (2005, p. 56) drew attention to the dimension of risk taking by

migrants when he wrote that “migrants have a different mind-set when it comes to risk.” He stated that they acknowledge the danger in the risks they take, but in their curiosity about what’s ahead, they also see opportunity. Certainly the data in this study acknowledged the challenge aspect of the IERS’ behaviour, but the risk aspect was more implied in their actions as opposed to directly identified as a part of their discussion (n=2).

Gaining a quality lifestyle for themselves and their family was identified by nearly half the IERS as impacting on their desire to be in business (n=19). This finding was also supported by results in the research by North and Trlin (2004). Interestingly this result (n=19) was not quite as high as the ‘quality of life’ rating as a migration driver (n=24). This may be because environmental factors such as clean green New Zealand and personal freedom are also aspects of quality of life which IERS identified as important benefits of New Zealand life (see also data strand: settlement profile/societal perspective/receiving country’s infrastructure). So it may therefore not be considered surprising that the IERS’ focus is not purely on business success. Dutch were the only group (n=9) to strongly identify the driver for business success as being fuelled by personal pride and credibility in justifying their migration choice. Indian IERS felt that at a societal integration level they were not fully accepted (as discussed previously) and hence felt a need to prove themselves, and self employment was one means of doing so.

From a social contribution perspective, some IERS expressed a desire to contribute to their community (n=12). This was most prominent among Pacific IERS (n=5), as well as expressing their desire to create work for family (n=4). These characteristics also appeared consistent with the Pacific community profile (see data strand: culture profile/ethnic community/ethnic links) as Pacific people who went into business could then discharge their social obligations.

External Catalyst

The data suggests that few of these IERS were ‘forced’ entrepreneurs (n=2), although Pacific IERS did identify necessity entrepreneurship in their desire to transact their social obligations to their community. Furthermore, it is argued that factors of disadvantage as identified previously (in this study and in the literature) influenced some levels of decision making among these entrepreneurs. This was best explained by Ram and Jones (1998) in Hammarstedt (2004, p. 117): “[E]vidence that limited opportunities for many ethnic

minorities are an important influence on their decision to become self-employed. Disadvantages such as difficulty speaking the language of the immigration country, poverty, unemployment and discrimination cause certain groups to favour self-employment.” Min and Bozorgmehr (2003) argued that migrants are, therefore, more motivated to start their own businesses than native-born. As Fernandez and Kim (1998) suggested, even marginal self-employment may be more attractive than low-skilled, low wage service or manual jobs. To this end the current study did highlight some levels of discrimination, difficulty with employment, language barriers, and cultural complications (see data strand: settlement profile/arrival and societal fit), yet the direct connection to forced entrepreneurship was only clearly associated with one occurrence. Dunstan et al. (2004) supports the disadvantage theory, as occurring in New Zealand, in stating that about one in five migrants perceived they had experienced discrimination and around half of these said this had happened while applying for jobs. Just as job discrimination is a motivating factor for entrepreneurial activity, Kontos (2004) raised the issue of the impact of discrimination in education by stating that high-level motivation for entrepreneurship is accompanied by low educational attainment, or from discriminatory mechanisms in educational institutions. In a similar vein, the Min and Bozorgmehr (2003) study - of non-college graduates, USA college graduates from Asia, and home-country college graduates - identified that home-country college graduates were the most likely to engage in self-employment, as they have more class resources than non-college but have the barriers to employment of language and other disadvantages that home-country graduates don't have. Finally, the Basu (1998) study of Asian business owners in Britain, in fact, refutes the forced entrepreneur hypothesis in stating that the overwhelming motivation was a desire for independence and financial prosperity.

Participants in this study had high levels of homeland and New Zealand education and strong work histories (as will be discussed in the next section), which belie the arguments behind the literature – although they did speak of discrimination in both areas (as identified in the settlement profile). It can therefore be suggested that forced entrepreneurship is not a prominent cause of immigrant entrepreneurship in New Zealand, but that factors of disadvantage or dissatisfaction do, however, play a part in the IERs' broader decision making processes.

Career dissatisfaction or lack of opportunities were given as the major negative factors by almost half the IERS throughout all four groups (n=19). Generally this related to IERS or their partners wanting something better - career wise - or a lack of employment opportunities in their field of expertise. Predominantly female IERS spoke of spouse job dissatisfaction being influential. Lack of job opportunities was highlighted by some IERS (n=9), and linked into their personal drivers of self actualisation and social standing. Never-the-less, these factors cannot be considered in isolation or related directly to the propensity of business start-ups, as other factors highlighted in this study (e.g. education, family, personal traits, etc) need to be considered, as the level and type of entrepreneurial activity does vary significantly between ethnic groups, as does the level of social disadvantage (see data strand: settlement profile/business integration).

This study highlighted the importance of societal influences on the IERS undertaking entrepreneurial activity (n=32) - especially among Indian and Pacific IERS. Their societal influences were both family and non-family, and had a bearing on three quarters of the IERS' decisions to go into business. Non-family influences (n=23) included forming partnerships with colleagues or acquaintances and financial or other resource assistance. This reflects the international literature in which it is argued that socio-economic structures, such as available labour, access to capital and demand for cultural products, are a fertile background for entrepreneurial activities (e.g. Hiebert, 2003). Although the family factor was evident in all groups (n=18), it was most prominent among Pacific IERS (n=7). Family influences included emotional, financial and labour support.

Consistent among most IERS was an ability to seize opportunities when they presented themselves (n=29). In this seizing of opportunity there was often identification of niches within their ethnic or multi-cultural community (n=11). This 'seizing opportunities' characteristic is evident in the supporting literature. For example, Whybrow (2005) identified migrants as people with energy and suggested that they are restless in improving themselves, their families and their adopted community, and Yeabsley (1997) argued that immigrants are contributors of new ideas and entrepreneurial approaches.

Overall this 'external drivers' category parallels the findings of North and Trlin (2004) who stated that immigrants left employment voluntarily to run their own businesses or transitioned into running their own business through a series of events. This study

concluded that IER drivers are complex and multi-dimensional. Hence there are numerous drivers, as also pointed out by North and Trlin that entrepreneurial decisions made by immigrants are the outcome of multiple environmental and interpersonal factors and not predominantly because of difficulties experienced in the employment market. As confirmed by Min and Bozorgmehr (2003, p. 26) “[t]he labour-market disadvantage thesis fails to apply in all cases.” Furthermore, Hiebert (2003) warns that desire (as in drivers) alone is not enough and that the presence of class resources (i.e. capital, education, skills) are decisive in the process of business formation – which is discussed in greater detail in the following sections.

5.4.2 Learning

Academic

Statistical data from the 2001 census (Statistics New Zealand, 2001a) identified a significant variance in the levels of qualifications held by immigrants, and indicated that they are unevenly distributed across the four ethnic groups under study (Table 3). For example, within the four groups 29.3 percent of the Pacific community were categorised as not having any qualifications compared to only 11.8 percent of the Dutch community. Both groups were significantly different from the general New Zealand population of 24.6 percent. Similarly, Pacific Peoples registered 3.2 percent of their community as having University degrees while the Chinese community were the highest at 20.2 percent. Again both groups were significantly different from the general New Zealand population of 10.9 percent.

This study identified that most IERs had completed some form of post-school formal education, which ranged from University study to targeted business seminars (n=39). Of these, just over half of IERs identified were involved with some form of formal education since being in business (n=24). This evidence is matched by the Dunstan et al. (2004) study which suggested current migrants were generally well educated, with over half having completed post-school study and many of these with university degrees. Often education was part of their entry qualification under the General Skills Category of the New Zealand immigration policy (North and Trlin, 2004).

The types of formal learning undertaken by IERS prior to going into business included a diverse range of education and industry skills. University and polytechnic learning was most prominent (n=30), especially amongst Indian IERS (n=10) and Chinese IERS (n=7), while Pacific IERS (n=3) appeared to be the least qualified at a tertiary level. Qualifications were weighted towards non-business (n=20). Overall, the IERS' level of formal learning was higher than the general migrant population when compared to the census data (see Table 3). This finding was further re-enforced by Dunstan et al. (2004) in their statement that around three out of ten migrants did some study in New Zealand towards a formal qualification in their first 18 months of residence. Problems with homeland qualification 'fit' in the host country, as identified by Indian and Chinese IERS, may have been a factor in immigrant's perceiving the need to do some study. For example, Dunstan et al. said that almost half of the migrants who spoke English as a second language did some English language study or training during their first 18 months of residence. But Dunstan et al. also argued that only a small proportion of immigrants had done some study or training to improve their employment prospects - which did not reflect the pattern in this study's data, as many IERS appeared intent on developing their formal business learning.

The comparison of statistical data (Table 3) against this study's results confirmed that IERS in all four groups were more likely to have some form of formal qualification than the general immigrant population, although the type of qualifications varied significantly between ethnic groups or individual IERS. Never-the-less, some parallels in qualification trends were evident. For example, the census identified Chinese and Indians as having the highest level of tertiary qualifications, and this matches the results of this study of IERS. As for the Dutch, both the census and current study of IERS identified them as highest in vocational qualifications. However, as to establishing a clear educational profile for IERS, apart from having more formal education than the general immigrant population, there was none. This also mirrors the North and Trlin (2004) study which could not identify a clear pattern. The reality is that the level and type of education varied significantly, therefore the educational outcomes could not be matched to entrepreneurial outcomes, which concurs with the Kontos (2004) findings that the relationship between educational resources and self-employment does not develop in a linear way. The possession of a relevant qualification does, however, allow some immigrant competitive advantage through human capital (Hunter, 2007), and as previously identified, all four groups in this study had higher formal qualifications than their general immigrant population.

Practical

This study did identify a predominance of practical experience (n=30), with three quarters of IERS coming from a position of previous industry knowledge and background (i.e. having been previously employed in the industry of their entrepreneurial activity). IERS also reflected on the benefits of practical experience in giving them some understanding of their new business environment. They were unanimous in their view that there was a need for considerable 'learning on the job' once they engaged in self employment (n=39), and that this was vital to their success. The perception of IERS was that experience preceded education as a prerequisite for their entrepreneurial activity (n=29), although some suggested both were very important (n=10).

Generally IERS did not decry the value of formal learning, as reflected in their high formal education levels, but saw it as supporting or enhancing their practical experience. Hence competitive advantage in New Zealand was viewed by many IERS as the use of their technical skills and work experience to establish businesses where there was demand but insufficient or poor quality supply in this country.

External Support

In addressing the academic and practical needs of setting up and running their businesses, all IERS used some form of professional or peer support. Accountants were highlighted as the most commonly used professional (n=30). Some IERS used their accountants only for functional tasks such as GST, while others used accountants for business advice. North and Trlin (2004) also drew similar conclusions regarding the significant use of accounting and tax advice by self-employed immigrants. Spouse's input also rated highly (n=26), as they often had complementary skills, while half the IERS spoke of using other forms of professional help such as lawyers, consultants and coaches. There were, however, also a significant group that were reluctant to use professional advice in their business start-ups (n=16) because they did not know who to go to, did not see the value, or were suspicious of professionals. North and Trlin (2004) noted that some self-employed immigrants (twelve of twenty six interviewed) used free consultancy services offered by local development agencies and councils, although this was not an obvious outcome of the current study.

This study also found that Pacific IERS (n=9) and Indian IERS (n=7) were more inclined to talk with and seek advice from their peers; as in other business people and community

members whom they respected. This was less evident among Chinese IERS (n=4) or Dutch IERS (n=2). Some Dutch IERS (n=5) in fact commented on having difficulty relating to and working with their peers (see data strand: cultural profile/community/ethnic characteristics).

Role Models

With respect to the importance of role models, many IERS spoke of being inspired by others (n=30). This included family members, colleagues or international figures such as Gandhi (in the case of Indian IERS). One third of IERS spoke of family members (especially parents) being the major role modelling influence in their lives (n=15). The importance of role models from immigrants own ethnic community was highlighted by Menzies et al. (2003) in stating that ethnic entrepreneurs look to members of their ethnic group as a source of informal advice, support, and mentoring. The flip side of this community connection was that some IERS saw themselves as role models for others in their ethnic community (n=10). This position was supported by Masurel et al. (2004) who argued that ethnic entrepreneurs offer good role modelling for other immigrants and second generation. Role modelling was very evident among Pacific IERS (n=6) but not so prominent among other groups.

Unintentionally or knowingly, the propensity for IERS to act as role models was an outcome of this study. For example, Pacific IERS made a clear and intentional effort to mentor others within their community, whereas within the other IER groups in this study there was the indirect role modelling as seen or felt by society through their business and community activities, such as innovative business practices and serving on charitable trusts.

5.4.3 Business Finance

Financial Practices

Financial competency was identified as essential to IERS' success (n=34). They stated the need to be responsible with money and manage those finances carefully. In highlighting financial competence, prominent themes were effective pricing - especially among the Dutch IERS (n=5), positive cash-flow, and the need for caution. The need to be frugal in all aspects of their lives was also highlighted by many of the IERS (n=19). This was particularly evident among Dutch IERS (n=10) and was simply considered part of their lifestyle by all

IERS. Whybrow (2005) reinforces this theme in his recollection of migrants to America as a curious mix of daring and prudent self-interest, and suggested this was commonplace among those who had made America their home.

Access to Finance

Family and personal funding (n=21) was the most prominent form of financing for IERS (see also data strand: business profile/drivers/external catalyst). This matches the international view that personal savings and family members were significant primary sources of financing (Menzies et al., 2003). For example, results in the North and Trlin (2004) study suggested that the majority of participants used personal or family funds, and Masurel et al. (2004) contended the migrant self-employed rely on group, family and ethnic-cultural funding networks. A UK study by Smallbone et al. (2003) found that ethnic minority businesses were significantly more likely to draw on family and friends at business start-up than white-owned businesses. Also Min and Bozorgmehr (2003) stated that many researchers emphasise the role of rotating credit associations and private loans. Some IERS noted that their business start-ups required low capital input in the initial stages (n=10), which links into the 'business types' category (see next section) of entering into businesses with low barriers, as also confirmed in North and Trlin's (2004) study.

Challenges

All IERS were conscious of the need for capital investment, as most IERS in the four groups did identify cash-flow (n=17) or other financial pressures (n=15) as major challenges in establishing and growing their businesses. Apitzsch (2004) recognized that most migrant business start-ups lack financial capital, which was confirmed by IERS in this study (n=15). Smallbone et al. (2003) highlighted the additional barriers faced by ethnic minority communities in obtaining banking finance, as did many IERS in this study. Therefore, often the working of long hours, frugality, or family/community networks compensated for limited financial resources (see also data strand: migration profile/immigration/practicalities).

5.4.4 Business Characteristics

Type

Overall it was difficult to ‘pigeon-hole’ IERS in stereotypical ‘ethnic businesses’ as their businesses covered a broad range of industry sectors. As identified in this study’s preliminary attributes the cohort was, however, dominated by services business (food, retail, personal services etc), which matches other New Zealand studies of immigrant activity (e.g. Dunstan et al., 2004; North & Trlin, 2004). Service orientation did, nevertheless, vary between ethnic groups, as Pacific IERS (n=9) were very strongly service oriented while the Dutch IERS had a stronger production orientation (n=6).

Focus

The majority of IERS in this study started with very small businesses - including part-time and home based businesses (n=29). The tendency was for IERS to go into industries with low entry barriers with respect to capital, and to a lesser extent language and specialist qualifications (e.g. retail, services and light manufacturing). In support of this finding, Kloosterman et al. (1999) stated that migrants were not only involved with economic activities that cater for an ethnic demand, but all sectors where business may be started with, in principle, relatively small outlays of capital and limited educational qualifications (i.e. human capital). Masurel et al. (2004) contended that these low entry threshold businesses are highly competitive and found in low-profit sectors. Immigrants, therefore, gravitated to businesses at the lower end of the market, such as the food industry (Collins, 2003; Rath & Kloosterman, 2003), often in enclave environments (Li, 1993), and moving into these marginal businesses because they are not in direct conflict with native-born people (Fernandez & Kim, 1998).

Although many of the participants in this study were well qualified and had good language skills, half the IERS did highlight difficulties with establishing their own business (n=21). Difficulties included: a lack of capital (as discussed previously), not being taken seriously, establishing relationships, and the sheer hard work required in establishing their business. In support of this theme, Kloosterman et al. (1999) argued that low entry barriers were one side of the coin and fierce competition was the flip side in these highly accessible economic activities (i.e. low end market businesses such as food and retail). Survival therefore, is

generally difficult and profits can be low and in many cases non-existent. The survival of immigrant businesses in these cut-throat markets depends to some extent on the fact that many immigrant entrepreneurs (and their families) have different sets of preferences still partly rooted in the sending countries that are accepting of long hours and low pay (Kloosterman et al., 1999). Generally IERS operated from one site only (n=29). The North and Trlin study (2004) also identified that there were few exceptions to the one location configuration.

Kontos (2004) reaffirms the body of literature that subscribes to the concept of the social embeddedness of entrepreneurship, in which the role of entrepreneurial activities is to retain ethnic social relationships. Interestingly the majority of IERS in this study stated that their businesses had a general New Zealand market focus (n=30), with only a small number identifying a clear ethnic embeddedness of their market activities (n=10). Even within the ethnic food industry the IERS stated that they catered for a more general New Zealand market. The small nature of the New Zealand market (see data strand: settlement profile/business integration/unsupportive) perhaps limits the ability of immigrants in New Zealand to take advantage of local ethnic networks as compared to countries with larger and denser ethnic populations. For example, Kloosterman et al. (1999) identified that survival in these larger economies is possible because of the entrepreneurs' being embedded in their social networks that enable them to reduce transaction costs in formal and informal ways. North and Trlin (2004) similarly identified nineteen of twenty-six immigrant run businesses as having a general population focus. Only a small number of IERS were identified as having any international focus (n=10), of which Chinese were the most prominent (n=5), and perhaps reflects New Zealand's isolation (see data strand: settlement profile/business integration/unsupportive). Interestingly, this was not matched by findings by North and Trlin (2004), whose study of self employed immigrants found significant links to their country of origin's markets, workforce, material supplies, venture capital and new technology. There was, however, some evidence of these networks in this study, although it was individual cases rather than clear trends (except for the new Chinese cohort which had strong homeland business links).

Development

One third of the IERS (n=14) purchased existing businesses and the rest started new businesses. Most businesses were in a growth mode or IERS displayed a desire to grow the

business in the future (n=36), with only four IERS specifically stating that they did not want to grow their business. However, a significant number discussed varying ongoing challenges to growth (n=20), such as staff, customers, management skills and personal limitations.

5.4.5 Business Philosophy

The management philosophies of IERS showed significant intra-group and inter-group variances within the four groups studied. The most commonly discussed philosophies were firstly a people focus (n=12), as IERS spoke of the importance of their staff, customers and community. A second philosophy was a big picture perspective (n=11), in which IERS identified the need to have a holistic and strategic view of business, with many suggesting that their immigrant background gave them a competitive edge in that area. Thirdly, a hands-on perspective was considered vital by some IERS (n=10), but a hindrance by others. Finally the farming adage - that you reap what you sow - was identified by some IERS, in that they believed that effort and ethical behaviour would ultimately be rewarded (n=10). All-in-all a common denominator was that all IERS had intensive personal involvement in their businesses and endeavoured to reap the rewards of that effort.

A strong customer satisfaction orientation was evident among IERS across the four groups (n=24). Of prominence was the IERS' belief that 'word of mouth' was important to their business success. Half the IERS also referred to the need for marketing based around reputation and targeting customers (n=20), and highlighted the importance of product suitability and quality (n=17).

Honesty, integrity and fairness were highlighted by one third of IERS as part of their business philosophy (n=16). Respect and faith were also raised as philosophical positions which linked into their cultural profiles, especially that of Pacific IERS (see data strand: cultural profile/personal/life perspective).

CHAPTER SIX

A NORMATIVE MODEL OF IMMIGRANT ENTREPRENEURSHIP

This study's objective was to form a novel model of immigrant entrepreneurship, rather than proving or disproving the relevance of a pre-existing perspective. A further aim was to apply the model to the interpretation and analysis of immigrant entrepreneurship within host nations throughout the world. Despite the research being completed in a New Zealand context, the purpose was to construct a model which had both local and international application. The research methodology's inductive construct development (as outlined in the discussion of grounded theory in the proceeding chapters) constructed an immigrant entrepreneurship model which took into account globally transferable factors of the immigrant entrepreneurs' migration, settlement, cultural and business behaviours.

This chapter begins explaining how the constructs are depicted in a model, which is supported by the comprehensive discussion and interpretation of the data strands within each construct (Chapter Five), and the introduction of evidence from the supporting immigrant literature review. This is followed by an expansion of the model with respect to the matrix of behavioural determinants: structural-interpersonal and engagement-perceptual, and a comparative analysis of the four ethnic groups under study. Finally, the chapter offers a comprehensive description of all the elements that make up the expanded model of immigrant entrepreneurship. These elements were then used as a framework for the four case studies (as described in Chapter Seven).

6.1 The Model of Immigrant Entrepreneurship: Illustration of the Linked Constructs

From the grounded theory study, as outlined in Chapter Four, a model of immigrant entrepreneurship emerged consisting of four constructs: migration, settlement, culture, and business (Chapter Five). Within the model, each construct has its own unique dimension, consisting of a number of concepts and subsequent categories and properties¹⁷. But the constructs are also inextricably linked to each other, therefore combining to a full

¹⁷ Refer to Section 4.3.2 for full explanation of concepts, categories and properties.

interpretation of what constitutes an immigrant entrepreneur (Figure 9). For example, an immigrant entrepreneur's homeland profile also influences their cultural relationships and business philosophies¹⁸.

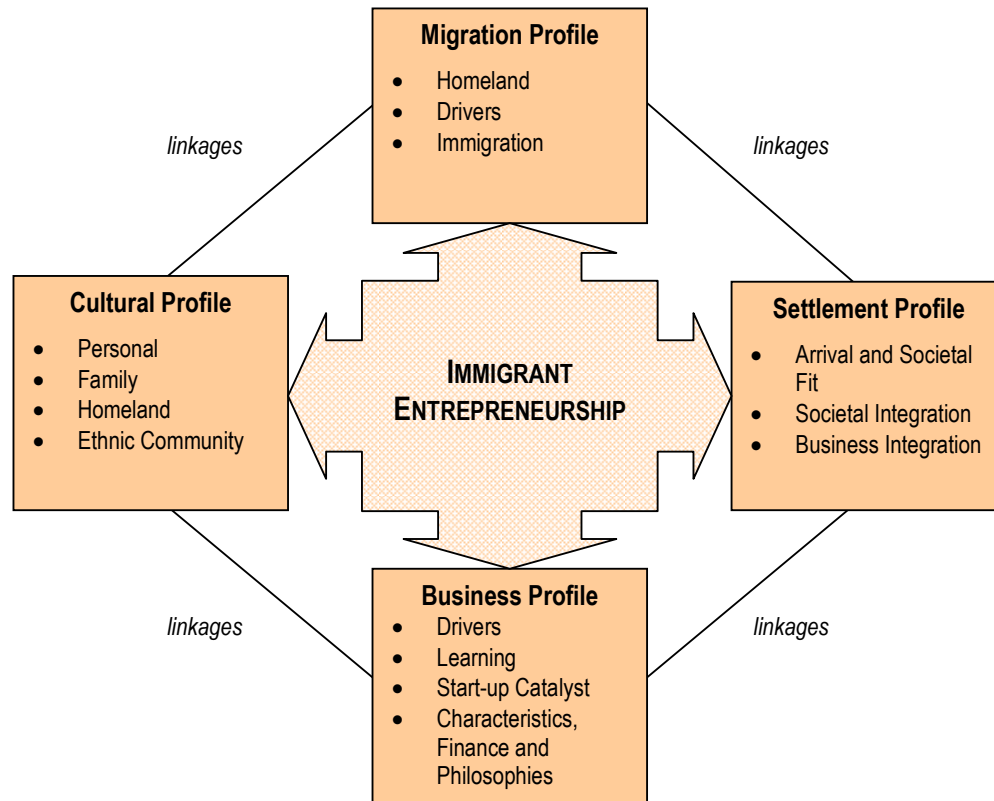


Figure 9: Constructs and Concepts within the Model of Immigrant Entrepreneurship

6.2 The Model of Immigrant Entrepreneurship: The Constructs' Relationship to the Literature

This section discusses the emerging model's relationship to the existing literature on entrepreneurship and immigration. This is consistent with grounded theory's technique of integrating relevant literature in the confirmation of theoretical development. In emerging as a substantial normative model, the following subsections describe how the four constructs have incorporated the multi-dimensional themes expressed in the historical entrepreneurial process, entrepreneurial characteristics, and immigrant entrepreneurship literature.

¹⁸ For a comprehensive description of the links, see Table 3 at the end of Chapter Five.

6.2.1 The Entrepreneurial Process

In the early stages of theoretical discovery (as prescribed by the canons of grounded theory), prominent patterns began to emerge with respect to entrepreneurs' activities as opposed to their traits. In a similar fashion to immigrant settlement being viewed as a process in the literature (Fletcher, 1999), it became apparent that immigrant entrepreneurial activity could also be viewed the same way. As such, the interpretation of the constructs and concepts within the immigrant entrepreneurship model adopted this perspective, by linking the migration, culture, settlement, and business behaviours (Figure 9). A process approach is also indicative of contemporary entrepreneurship literature, in which entrepreneurial thinking has moved away from the figure, characteristics and intentions of entrepreneurs themselves to concentrate more on their actions and outcomes as a means of defining them (Aldrich & Martinez, 2001). Morris (2002) also supported this contention by saying that taking the entrepreneurial plunge has something to do with the psychological and sociological characteristics, but that the sustainability of a venture, which encompasses the true entrepreneur, is more a matter of various behavioural capabilities. Davidson et al. (2001) added further weight to the process approach by suggesting that current thinking places emphasis on behavioural and cognitive issues rather than personality characteristics. They suggested that understanding the entrepreneurial process would define the entrepreneur far more effectively than would an understanding of the individual. The ensuing pursuit for understanding led to the development of a number of new themes including: business emergence, competencies, lifecycle, success and societal good. These are discussed below.

Business emergence

This study undertook research from a small business perspective, in which the analysis reflected the nature of immigrant entrepreneurship as an activity which entailed business emergence. That is, the creation of ventures that add value to their communities through products and services, profit generation, and employment growth. The literature supports the emergence view that Davidson et al. (2001) pointed out, that conceptual contributions to the field have clearly de-emphasised 'characteristics' of small business owners and their firms in favour of behaviours associated with *emergence*. Gartner also (2001) believes emergence holds promise for developing teachable and learnable knowledge about entrepreneurs.

Competences

Man et al. (2002) discussed the influence of entrepreneurs in venture emergence as achieving continued competitive advantage by introducing a process dimension of the 'entrepreneurial competencies' needed by entrepreneurs. These competencies included: conceptual, relational, organisational, opportunist, and strategic. They suggested that competencies encompass entrepreneurial traits, skills and knowledge, which, in turn, are influenced by the entrepreneur's experiences, training, education, family background and other demographic variables. Hunter (2007) noted in the work of Mark Casson, that fundamental to the entrepreneurial process is the ability to undertake 'judgemental decision-making.' This competency allows them to operate in an environment in which decisions are often based on imperfect information and in the face of uncertain outcomes. Entrepreneurial competencies have been accounted for within the immigrant entrepreneurship model's development, through the constructs of migration, settlement, culture and business (see Figure 9). Concepts and properties (especially within the business and culture constructs) relating to competencies emerged throughout the data analysis and comparison stage.

Lifecycle

The comprehensive nature of the analysis and subsequent construct development also accounted for the complexity of the entrepreneurial lifecycle, that is, when does entrepreneurship occur and in what business framework? Aldrich and Martinez (2001) introduced two concepts to this debate. Firstly, there was the concept of the *nascent entrepreneur*, which Aldrich classifies as someone who initiates serious activities which are intended to culminate in a viable business start-up. The second concerned their four-phased entrepreneurial cycle - conception, gestation, infancy, and adolescence - which they suggested captures the transition from a person with a business idea through to an established new firm. Aldrich and Martinez went on to say that, in defining entrepreneurs, the idea of the entrepreneurial cycle and the nascent entrepreneur are important because they force users to consider new firms as just one possible outcome of the entrepreneur's activities, and also because most entrepreneurial efforts do not result in the formation of an organisation, or they lead to quite small or short-lived businesses. Hence, defining the entrepreneur has more to do with the activity than the ultimate outcome. The difficulty then arises as to when an entrepreneur, by definition of entrepreneurial activity becomes and ultimately ceases being one. Aitken, in discussing the definition of entrepreneurship,

reasoned that it is not a clearly defined state, but that “entrepreneurship is not a matter of ‘all or nothing’; it is a matter of ‘more or less’” (1963, p. 99). Aitken attempted to clarify this in arguing that the study of entrepreneurship and the organisation are intertwined. This perspective lends itself toward a chronological ‘process theory’ of entrepreneurship where entrepreneurial and business activities can be documented concurrently. In summing up his views, Aitken (1963, p. 153) identified the importance of the organisation that encapsulates entrepreneurial activity in stating “[w]hat is the dancer without the dance.”¹⁹ To this end, the four constructs within the immigrant entrepreneurship model, as an integrated whole, catered for the full entrepreneurial experience through chronological references (all constructs) and organisational context (cultural and business constructs).

Entrepreneurial success

An interesting question does arise from Aldrich and Martinez’s (2001) life-cycle conceptualisation of the entrepreneur. Does it necessarily incorporate the requirement for success? The entrepreneurial process is not a guarantee of success, as the history of the enterprise is littered with near misses and outright failures. Entrepreneurial propensity is no protective shield against the vagaries of the business environment or misguided best intentions. As Hunter (2007, p. 17) states: “Some will venture and succeed. Others will venture and fail. That is the risk and privilege of entrepreneurship.” The emerging immigrant entrepreneurship model was based on a sample of active immigrant businesses which would infer a level of success. However, the emergence of a lifecycle perspective within the model of immigrant entrepreneurship, as discussed previously, does lend itself to the broader context of different business outcomes. In fact, some of the participating immigrant entrepreneurs had experienced levels of business adversity and failure which were recorded in the settlement and business constructs.

Societal good

Returning to our premise that entrepreneurship is a process and the contention that it operates, as the literature suggests, within a societal and organisational context, another question arises in defining the entrepreneur, that is, the matter of whether a definition should include the societal good provided by entrepreneurs. Kane (2000) argued that in the

¹⁹ Carland et al. (1984, 1988) and Gartner (1988) both use the metaphors of a dancer and a baseball player as a means of explaining the relationship of entrepreneurs and entrepreneurial activities.

absence of force or fraud, entrepreneurs operating in the free market strengthen the system of individual liberty while generating steady economic growth and raising living standards. This line of thought debunks much of the self-interest criticisms afforded the entrepreneur and defines entrepreneurs as ‘doing good through doing business.’ Kane went on to quote the father of economic thought, Adam Smith, to support this argument: “It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest” (2000, p. 21). Therefore, perhaps ‘enlightened self interest’ would be a more appropriate explanation. Henton, Melville, and Walesh (1997) went beyond the consideration of enlightened self interest to suggest a strong civic responsibility aspect in the entrepreneurs’ activities - in that they help link businesses, governments and communities. Although this is a noble premise, civil responsibility may simply be a by-product of entrepreneurial activity rather than an integral part of the definition of an entrepreneur. However, the constructs, concepts and properties of the current model of immigrant entrepreneurship do account for the social context in which immigrant entrepreneurs operate with respect to community engagement (cultural and business constructs), as these are an integral component of immigrant life in receiving countries.

6.2.2 Entrepreneurial Characteristics

The immigrant entrepreneurship model also encapsulated the significance of ‘characteristic theory’ which still holds a significant position in the entrepreneurial literature. The difficulty with interpreting the literature, however, has been the proliferation of concepts which constitute entrepreneurial characteristics. For example, Kuratko and Hodgetts (2004) offered no less than forty-two characteristics that are often attributed to entrepreneurs. Hisrich and Peters (2001) focused on characteristics in conjunction with background and Timmons and Spinelli (2004) preferred to define the entrepreneur characteristics from an attitudes and behaviours perspective. Krueger et al. (2000) attempted to clarify the behavioural perspective by suggesting that entrepreneurship is a way of thinking that emphasises opportunities over threats, and encompasses people who express strong optimism. This desire to pigeon-hole entrepreneurs as a certain type of person was further exemplified by Lee and Peterson (2000) in their defining of an ‘ideal type’ entrepreneur. According to Lee and Peterson, this person would generally be defined as accepting

uncertainty and risk, stress, materialism and wealth, emphasise individual accomplishment, believe in equal laws for all, and believe that power and status are earned through competition and hard work. Allen (1999), in an attempt to simplify characteristic theory, suggested that research points to five typical characteristics: risk-taking, need for achievement, a sense of independence, internal locus of control, and tolerance for ambiguity. Hatch (2000), in a study conducted in the United States relating to what was termed the *entrepreneur spirit*, suggested similar characteristics: risk tolerance, desire for control, ambition/desire to succeed, perseverance, managing through setbacks, and decisiveness. He added a further dimension by introducing the perseverance characteristic of the 'serial entrepreneur' - a significant entrepreneurial trait involving the starting up of many firms in the entrepreneur's business lifetime.

The entrepreneurial characteristics literature also highlights the significance of cultural differences. In fact, Morris and Davis (1994) raised the importance of 'collective entrepreneurship' and suggested that individual entrepreneurship (as in the classic North American definition), on which much of the writing on entrepreneurship is based, is only one cultural factor. They argued that the individualist environment contains entrepreneurs motivated by self-interest and achievement of personal goals, while there are also indigenous and immigrant entrepreneurs in a collectivist environment who believe that they are an indispensable part of a group. This has immense significance for multicultural New Zealand with its indigenous, immigrant and Pakeha peoples' involvement in entrepreneurial activity (Ministry of Economic Development, 2006), as these groups exude different characteristics. For example, in the New Zealand context, the GEM report (Frederick & Carswell, 2001) identified that indigenous Maori were more entrepreneurial than European New Zealanders, yet, according to the New Zealand literature (Te Puni Kokiri, 1998; Hailey, 1987), they do not necessarily 'fit' the individualistic definition afforded by much of the international literature on entrepreneurship. The indigenous Maori entrepreneur appears to be more in line with the collective definition, which matches Hailey's (1987) Pacific Peoples model of entrepreneurship values of communalism, reciprocity and social gain before personal profit.

This study concluded that characteristic theory should not be totally overlooked at the expense of process theory, as much has been written about the significance of the characteristics that define those people we call entrepreneurs. Furthermore, as opposed to

being in conflict with process theory, characteristics are commonly depicted in the entrepreneurial process as part of the competencies. The model of immigrant entrepreneurship adopted elements of the varying entrepreneurial characteristic theories (e.g. Allen, 1999; Hisrich & Peters, 2001; Timmons & Spinelli, 2004) as they emerged within the cultural and business constructs. These emerging characteristics reflected both individual and collective cultural factors.

6.2.3 Entrepreneurship and Immigrant Integration

The current entrepreneurship process and characteristics literature, as highlighted above, does offer a means of studying immigrant entrepreneurship within limited parameters, as it does not take into account the broader immigration context. This is aptly highlighted by Fletcher, with respect to the interpretation of studies that focus on limited aspects of settlement, in cautioning that “migrants may be well integrated into the labour market but still be unsettled in other aspects of their life” (1999, p. 48). To this end there are examples in the international literature that have made an effort to understand the complexities of entrepreneurial behaviour in migrant groups. For instance, a study of immigrant entrepreneurs in the Netherlands argued that they play a pivotal role in both the informal and formal economic activities of host nations (Kloosterman et al., 1999). The formal economy is that which is regulated by government, while the informal operates outside of or despite regulation (Dana & Dana, 2003; Kloosterman et al., 1999). The problems are that there is no clear demarcation between the formal and informal economy, and there is an ever-changing transition between formal and informal business activities. Kloosterman et al. further asserted that immigrant entrepreneurship is skewed towards specific economic activities such as wholesale, retail and restaurants, as they provide for ethnic demand and require relatively small outlays of capital and limited educational qualifications, stating that “immigrants gravitate to businesses at the lower end of the market” (1999, p. 255). Masurel et al. (2004) agreed, in pointing out that ethnic enterprises tend to be small businesses with low entry thresholds (often informal in nature) and with less formal ownership and financing. They asserted that ethnic enterprises are highly reliant on group and family contacts and ethnic-cultural networks.

This study has continually stressed the need for a multi-dimensional perspective of immigrant entrepreneurship. Such a perspective should reflect multiple elements of an immigrant entrepreneur's makeup and the interrelationships, which current literature does not adequately address. To this end, the model of immigrant entrepreneurship expands on the interrelationships by examining the various cultural factors of the collective and individual entrepreneurs (e.g. Morris & Davis, 1994) through concepts and properties identified in the migration and cultural constructs - as they are inferred through homeland, receiving country, cultural and family values, and experiences.

6.3 The Model of Immigrant Entrepreneurship: The Creation of the Adaptation Matrix

A second outcome in the development of the model of immigrant entrepreneurship was the creation of the adaptation matrix. This study identified a relationship between the concepts and properties within each of the four constructs and the immigrant entrepreneurs' interactions with or perceptions of their cultural or environmental position. These concepts are not foreign to the international literature. For example, in trying to manage the complexities of immigrant entrepreneurship, Masurel et al. (2004) alluded to two main factors influencing ethnic entrepreneurship: *Motivational factors* – family culture, experience with venture, forward-looking attitude etc; and *Contextual factors* – new market possibilities, regulatory systems, technological trends etc. Masurel et al. argued that the “combination of culturalist and structuralist approaches play a decisive role in entrepreneurial activity” (2004. p. 79). Culturalist factors (relating to motivational factors) encapsulate culturally determined features which support economic success, such as dedication to work, strong social network, acceptance of risk, compliance to social value patterns, and a propensity for self-employment. Structuralist factors (relating to contextual factors) encapsulate the external environment, for instance: entry barriers to the labour market, the presence of a social-political boycott, or the need to maintain an intrinsic social identity. Masurel et al. (2004) also cited Waldinger's ‘interaction’ theory, where cultural and structural interaction established a model of entrepreneurial analysis based on three classes of factors, namely: the opportunity structure, the group characteristics, and the ethnic strategy. Therefore, the development of the model of immigrant entrepreneurship has taken a more multi-dimensional approach to structural and cultural issues in relation to

immigrant entrepreneurs' actions and perceptions, as the inclusion of the adaptation matrix (Figure 10) in the model attempted to deal with the complexities in entrepreneurial behavioural patterns.

The matrix evolved when the research process revealed a far more complex situation, where culturalist and structuralist factors were intertwined with the four evolving constructs. Culturalist and structuralist factors linked to the immigrant entrepreneurs' engagement patterns (e.g. activities and actions) and perceptual patterns (e.g. thoughts, ideas, rationales and biases). The data revealed tangible evidence that specific immigrant entrepreneur activity (engagement patterns) and their personal view of the world (perceptual patterns) had impact on the conceptual configurations in the model of immigrant entrepreneurship. The classifications of categories within the concepts were, therefore, based on a matrix constructed from the engagement and perceptual patterns and the interpersonal and structural factors (Figure 10). This conceptualisation was easily managed within the NVivo protocols as part over the overall development of the model of immigrant entrepreneurship. It should be noted that at no stage did NVivo drive the direction of this study, rather, it helped the facilitation and investigation of new discoveries.

		Engagement Patterns	Perceptual Patterns
Structural Factors		St-Eng (Structural/Engagement) e.g. In the <i>Learning</i> subcategory of <i>Experience</i> : ‘Learning on the job’	St-Per (Structural/Perceptual) e.g. In the <i>Learning</i> subcategory of <i>Academic vs Experience</i> : ‘Experience is more important’
	Interpersonal Factors	Ip-Eng (Interpersonal/Engagement) e.g. In the <i>Work Ethic</i> subcategory of <i>Hard Working</i> : ‘Willing to work long hours’	Ip-Per (Interpersonal/Perceptual) e.g. In the <i>Work Ethic</i> subcategory of <i>Hard Working</i> : ‘Parental work ethic’

Figure 10: Entrepreneurial Adaptation Matrix

This study also identified the frequency of adaptation matrix factors within categories. This analysis was used to identity the intensity of the themes' occurrence within the immigrant entrepreneurship model, and the rate of impact of interpersonal/structural and

engagement/perceptual factors on these occurrences. For example, the ‘business driver’ of self actualisation was strongly influenced by interpersonal factors (Ip - cultural and personal values) and engagement factors (Eng - activities relating to achieving), as opposed to environmental/structural (St) or perceptual (Per) factors (Figure 11).

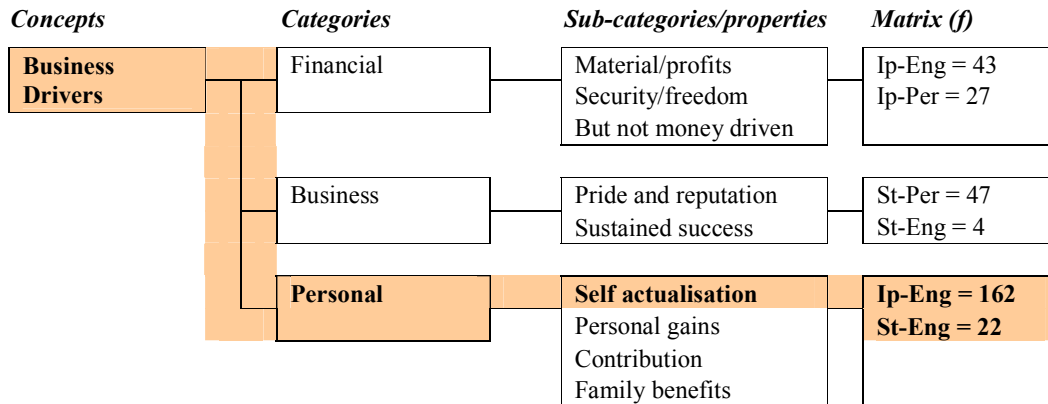


Figure 11: Matrix Ratings within Data Strands

The analysis of the behavioural patterns revealed that immigrant entrepreneurial practices were shaped by structural or interpersonal influences, which had their origins in Masurel et al. (2004) culturalist and structuralist factors as discussed above. By *structural* this research referred to receiving countries’ environmental determinants such as new market possibilities, regulatory systems, technological trends, social norms, societal infrastructure etc; while *interpersonal* related to determinants such as family, culture, personal values and experiences. Secondly, immigrant entrepreneurs were considered to *engage* with (i.e. identifiable interaction and activities) or hold *perceptions* about (i.e. their personal or culturally based ‘world view’) structural and interpersonal determinants. Therefore within the matrix analysis each ‘property’ - the lowest level of coding in NVivo (see Section 4.3.2) - had a frequency (*f*) rating as to the number of blocks of code that were recorded in that matrix classification. These frequencies have been converted into percentages in Figure 12, for purposes of comparison. This allowed the model of immigrant entrepreneurship to not only establish clear data strands and links within constructs (as outlined in Section 5.1), but also show the inter-relationships between the immigrant entrepreneurs’ actions or perceptions within their structural and interpersonal environments.

The matrix analysis identified a reasonable balance between structural (43.6%) and interpersonal (55.4%) factors impacting on immigrant entrepreneurship, while there was a significant dominance of engagement (72.8%) over perceptual (27.2%) factors (Figure 12). This implied that, firstly, the infrastructure of societal, political and environmental conditions held similar weight to the culture, family and values of the immigrant entrepreneur. This suggests that, in any attempt by receiving countries to enhance entrepreneurial propensity among immigrants, there should be a balance between what politically can be done to improve the settlement infrastructure, and the immigrant profile that should underpin such countries' immigrant policy. Secondly, the actions and activities of immigrant entrepreneurs dominated their perceptions in entrepreneurial behaviour, suggesting immigrant entrepreneurs were proactive - doers - as opposed to introspective or contemplative. However, they were generally 'thoughtful' people as represented by their perceptual rating of 27.2% and such insights from immigrant entrepreneurs as "I think also that regardless of what you believe in, that there is still something you need to stop sometimes and say thank you - for all the things that actually happen." But they were first and foremost action oriented with comments such as: "I came to a cross road to say well should I do this or can I do that? And I suppose I chose the path where I said - yeah I think I can do this," and "take what you have and then you've just got to run with the best you've got."

Within each of the constructs, however, there were significant differences between frequencies of matrix factors. Figure 12 shows that the cultural construct was almost exclusively interpersonal, whilst business and settlement constructs were strongly structural. Similarly the settlement construct was significantly perceptual, whilst business, cultural and migration constructs were strongly weighted to engagement. To analyse these trends in more depth it is necessary to consider each construct separately, as follows:

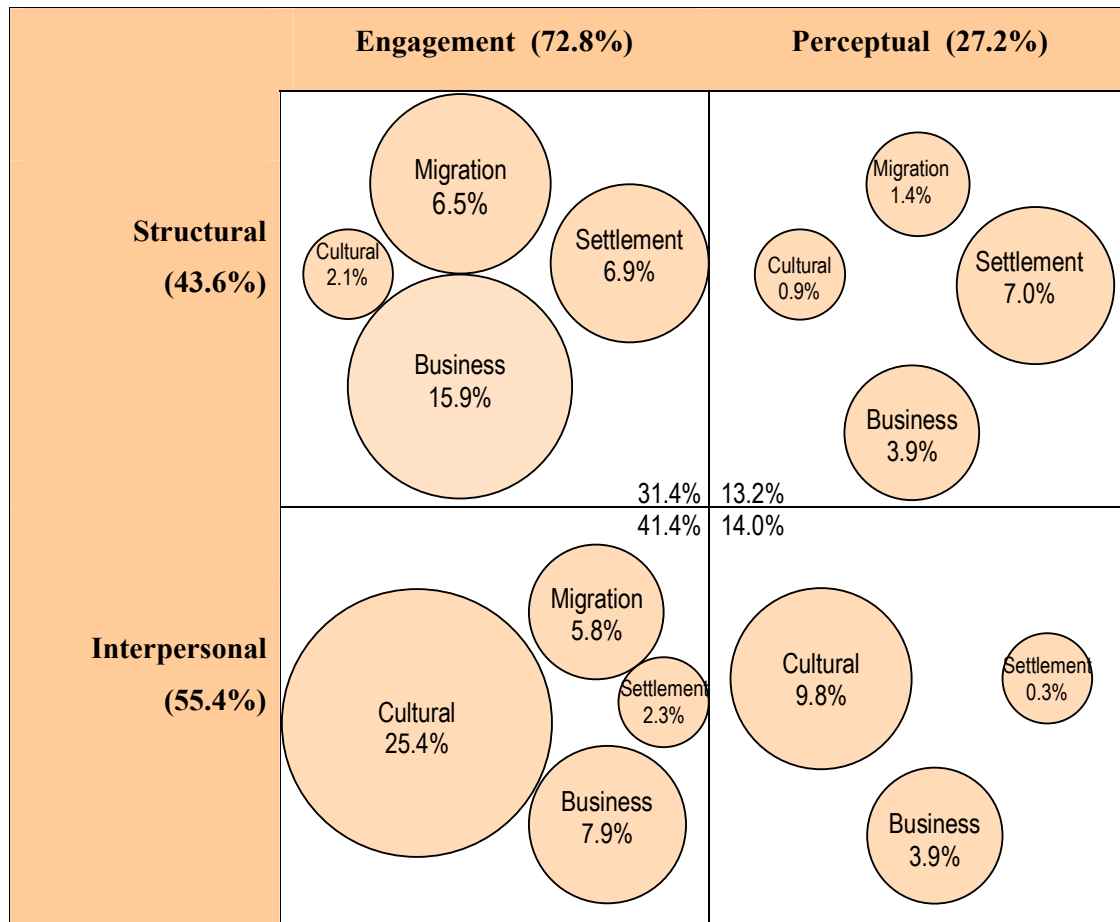


Figure 12: Immigrant Entrepreneur Adaptation Matrix Content Analysis

Migration construct

This construct was predominantly influenced by the immigrant entrepreneurs' engagement with their homeland environment. The prominence of the engagement factors suggests that this stage of the immigrant entrepreneurship process is strongly influenced by their previous activities within their homeland. Of significance were:

- Structural-engagement factors of urban origins, geographic diversity, permanent migration, and limited resources were highlighted by the immigrant entrepreneurship study, while family dynamics (interpersonal-engagement) stressed strong work and value systems ($f=145$) as influential to their behaviours.
- The only perceptual factor influencing behaviour was the structural-perceptual view that the receiving country would offer a better quality of life for themselves and their children ($f=45$).

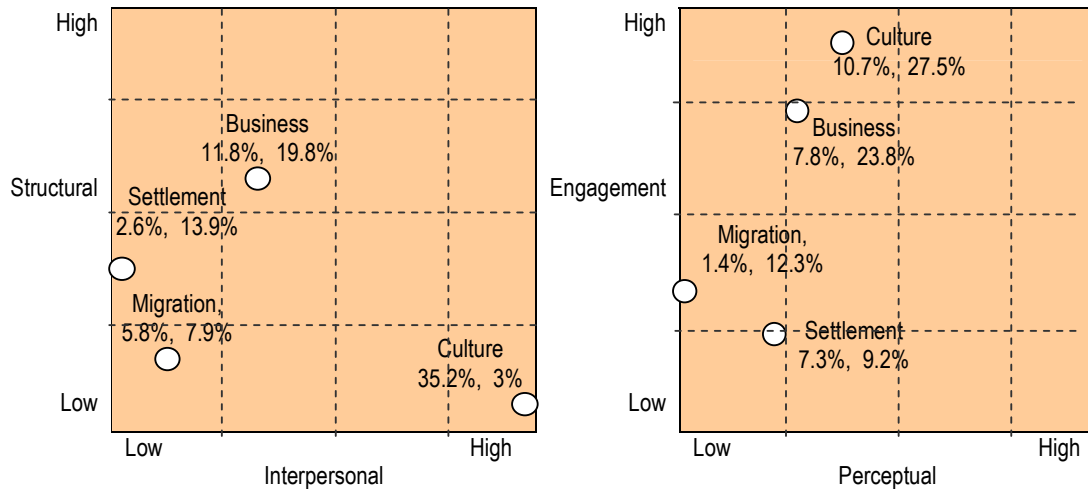


Figure 13: Immigrant Entrepreneur Adaptation Matrix Factor Analysis

Settlement construct

This construct had the strongest perceptual pattern of the four constructs, at 44% of coded data in this construct (see Figure 12). This prominence suggests that this stage of the immigrant entrepreneurship process is influenced by immigrant entrepreneurs' perception of the receiving country. Of significance were:

- The construct was almost exclusively structural-perceptual factors. It identified a perception of discrimination existing in the receiving country ($f=56$), whereas perceptions of an inclusive society were less common ($f=23$). There was a view by some, however, that they had assimilated into society well ($f=20$). Overall their view of the receiving country reflected far more positive ($f=85$) than negative ($f=41$) perceptions, although they did have some concerns about native-born people ($f=46$) with respect to narrow mindedness and lack of respect.
- Structural-engagement was also prominent with behaviours including strong urban assimilation ($f=42$) and attainment of employment ($f=64$). Ease of business start-up ($f=42$) was also highlighted, although some immigrant entrepreneurs were frustrated with the level of regulation ($f=30$) and the overall unsupportive nature of the business infrastructure ($f=83$) as opposed to a supportive infrastructure ($f=46$).
- An overall positive experience with integration ($f=93$) was outweighed by the difficulties experienced ($f=123$).

Cultural construct

This construct was almost exclusively interpersonal at 35.2%, with structural hardly rating at 3% (Figure 12). This prominence suggests that immigrant entrepreneurship is strongly influenced by personal and culture based drivers. Of significance were:

- The dominance of interpersonal-engagement factors of achievement orientation ($f=185$), strong work ethic ($f=170$), strong family dynamics ($f=102$), family business involvement ($f=93$), prioritising the establishment of strong futures for their children ($f=83$), and homeland language retention ($f=38$).
- Their behaviours were influenced by strong homeland connections ($f=105$) and ethnic community connections in the host country ($f=75$), although there was a lack of unity among some migrants from the same ethnic group ($f=22$). Work ethic ($f=35$) and ethnic connections ($f=17$) were their greatest business strengths, while lack of knowledge and skills hindered their development ($f=37$).
- Interpersonal-perceptual influences on behaviour were a strong belief in the benefits of family-business dynamics ($f=103$), their belief that they had good people skills ($f=53$) and a positive view of work and long hours ($f=62$). They did have some concerns with the level of stress in business ($f=37$) and had a mixed sense of national identity ($f=62$).
- The only structural engagement behaviours identified were their limited homeland business connections ($f=17$) and limited links with the New Zealand community.

Business construct

This construct was dominated by engagement in business activities (Figures 12 and 13). This suggests that immigrant entrepreneurship is strongly influenced by business actions. Of significance were:

- The prominence of structural-engagement factors of formal learning ($f=158$), practical experience ($f=214$) financial responsibility ($f=114$).
- Interpersonal-engagement factors of self actualisation ($f=144$) and family support ($f=79$) were considered vital to entrepreneurial activity.
- Perceptual factors only featured with respect to structural issues such as a desire for a good business reputation and sustainability ($f=47$), dissatisfaction with New Zealand career opportunities ($f=24$), and a belief in a customer focus ($f=56$).

- Interpersonal-perceptual influencers on behaviour were valuing experience over formal training ($f=51$), forming relationships ($f=31$), not being money driven ($f=27$), and ethical practices ($f=35$).

The adaptation matrix was then integrated into the construct framework of the immigrant entrepreneurship model (Figure 14) to establish the model's process, traits and behavioural linkages.

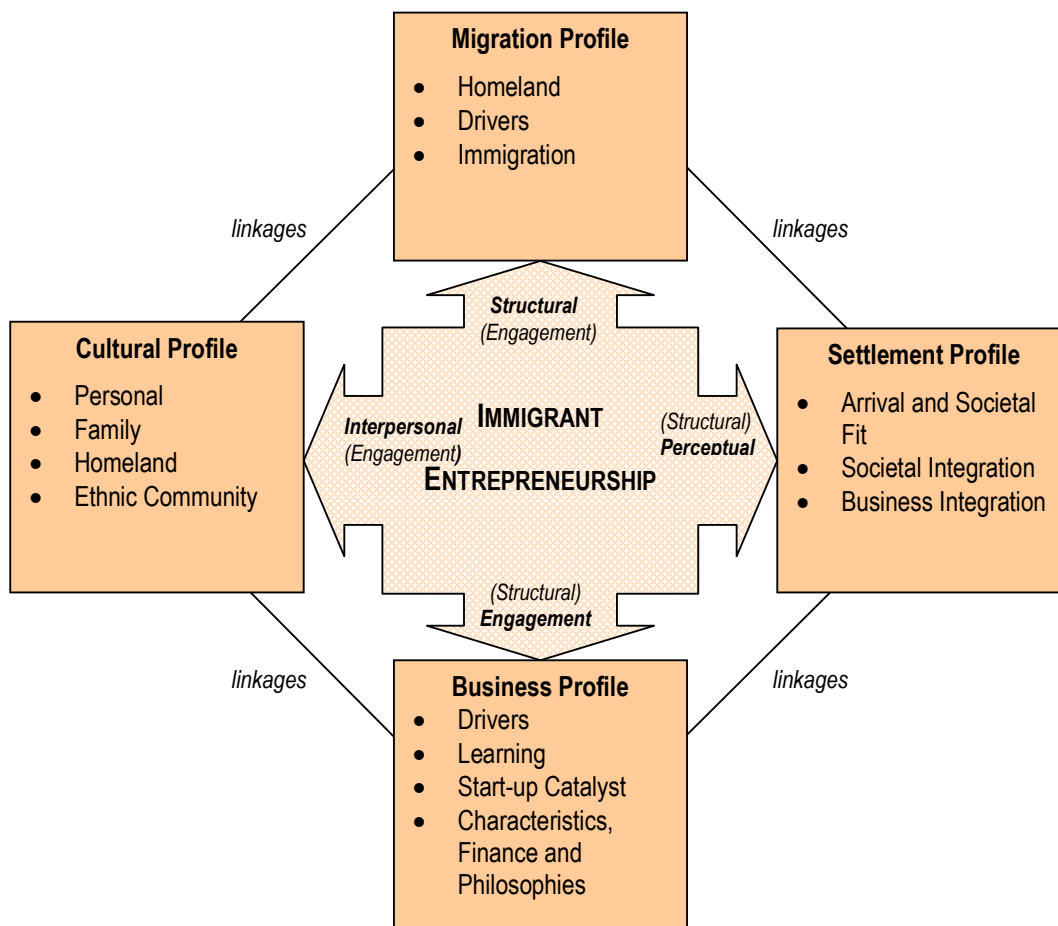


Figure 14: Matrix Factors within the Model of Immigrant Entrepreneurship

6.4 A Theory of Immigrant Entrepreneurship: The Expanded Model of Immigrant Entrepreneurship

The emerging model, as portrayed in the previous sections, offered a suitable framework for understanding immigrant entrepreneurship, however, a comprehensive representation of the constructs, their linkages and the variance between ethnic groups required a synthesis of the varying entrepreneurial dynamics within each of the four groups under study. This was undertaken by analysing the data as depicted in the frequency charts (as described in Section 4.5, p. 75). A comparative analysis of the data from the four cases was then completed and incorporated into the expanded model of immigrant entrepreneurship. This was followed by the writing of the four ethnic case studies, which were based on the framework of the model of immigrant entrepreneurship (see Chapter Seven). The complete model (and descriptors) represents a full integration of the constructs (including their concepts, categories and properties), behaviour patterns (adaptation matrix) and ethnic group commonalities and variances (comparative analysis). This model as represented in Table 4 as a comprehensive depiction of the framework of immigrant entrepreneurship and encapsulates the theoretical development achieved through this study. It also represents a context for case development and for the ongoing study of immigrant entrepreneurship which can be extended to other ethnic groups and other receiving countries (see Section 6.5). The comparative analysis of Chinese, Dutch, Indian and Pacific immigrant entrepreneurship case studies that were integrated into the completed model is discussed below.

6.4.1 A Comparative Analysis of the Migration Construct

Homeland

The comparative study re-enforced the broad geographic spread of migrants and the clear distinction with respect to culture, religion and values systems within and between the four groups. This was then further complicated by second generation immigrant entrepreneurs having New Zealand upbringings within different degrees of homeland cultural context. To illustrate, among the Dutch, assimilation was rapid as language and culture were quickly forgone, while Pacific, Indian and Chinese placed greater emphasis on retaining culture and

language. Furthermore, migration occurring in different decades created clear distinctions within migrant groups, for example the difference between established and new Chinese (see Section 5.1). Urban-to-urban was the most common form of migration, although there was significant variance between and within groups with respect to origin. Island origins were typified by Pacific people, city origins by ‘new’ Chinese and Indian, and rural origins by ‘established’ Chinese. There was a predominance of lower-medium socio-economic backgrounds and large families, although again there were significant variances between groups or migration decades. Strong emphasis was placed on homeland spiritual values, which were most prominent among Pacific immigrant entrepreneurs and least mentioned by Chinese immigrant entrepreneurs.

Migration drivers

Immigrant entrepreneurs’ family and friends in their homeland or receiving country generally played a significant part in many of the immigrant entrepreneurs’ (or the parents of New Zealand-born immigrant entrepreneurs) decision to migrate. Pacific people were often influenced by having family in New Zealand whilst Indian and Chinese were more likely to have homeland influences. The desire to improve their quality of life was the driving force behind migration, although the perception of what constitutes ‘quality of life’ differed among the four groups with respect to careers, financial rewards, clean-green, space etc. The existence of some form of homeland difficulties or dissatisfaction was also evident as a migration driver, but again reasons varied significantly between groups.

Immigration

The prevalence of arriving in the receiving country either as a family unit or as an individual varied between the ethnic cohorts. The Dutch and Indian immigrant entrepreneurs predominantly arrived as family units, Chinese predominantly solo, and Pacific immigrant entrepreneurs were evenly split. Pre-1990 immigrants generally arrived with few financial resources, while post-1990 were generally more educated and financially independent. Different nationalities and different migration decades also offered unique migration obstacles with regard to changing regulatory regimes, but common traits of all these people were perseverance and an ability to work their way through the obstacles.

6.4.2 A Comparative Analysis of the Settlement Construct

Arrival and settlement in New Zealand

On arrival in New Zealand, immigrant entrepreneurs predominantly resided in cities. Principally this was because they saw the cities as offering the greatest opportunities and infrastructure support. There was considerable clustering within the studied ethnic groups, which was portrayed through the establishment of enclaves or ethno-burbs. Clustering was not consistent across all groups, for example, Pacific people were deeply entrenched in Auckland enclaves, while Indians were highly urbanised in a more general city wide distribution, and the Dutch settlement reflected the general New Zealand population distribution. By-and-large immigrant entrepreneurs experienced some form of employment prior to going into business for themselves. The type of work experience varied significantly between groups, for instance, Dutch were mainly blue collar workers whilst 'new' Chinese were more likely to be white collar. There was also a frustration among immigrant entrepreneurs as to: (1) the lack of recognition of their homeland qualifications, trade experience or natural capabilities, and (2) their rejection in the job market because of a lack of local experience. Immigrant entrepreneurs from culturally dissimilar and non-English speaking backgrounds had the greatest difficulty with social integration in New Zealand. The Dutch immigrant entrepreneurs, as a white European race, spoke of integration being relatively easy, whilst races of colour found integration more difficult, for example the Indians - as a very adaptable people - had mixed perspectives on integration, while Pacific and Chinese had the most difficulties and had also faced discriminatory political regimes during New Zealand's immigration history.

Social perspectives

Immigrant entrepreneurs lacked any clear pattern in their opinions about New Zealanders, but overall they were positive about New Zealand's societal infrastructure. Food and culture were referred to as their main contributions to New Zealand society, although groups did not universally believe they contributed to New Zealand's diversity.

Business integration

All groups contained migrant and second generation immigrant entrepreneurs, however, the prevalence of one over the other varied. To illustrate this variance, the Pacific immigrant entrepreneurs were in the main second generation as were old Chinese, while Dutch and

Indian were present in both, and new Chinese were predominantly recent migrants. These differences reflect differing migration timeframes, expectations and cultures. There was a general feeling that it was comparatively easy for their ethnic community to start up in business, although again this was not consistent across groups, with Pacific immigrant entrepreneurs expressing the least confidence. Overall, immigrant entrepreneurs had a wide range of views about their experiences in business - from total satisfaction through to frustration and disappointment. Frustrations included the need to deal with regulatory and compliance regimes and unsupportive government agencies. Immigrant entrepreneurs from large and populated countries (such as Chinese and Indian) referred to the small and isolated nature of the business environment in New Zealand.

6.4.3 A Comparative Analysis of the Cultural Construct

Personal

Strong emphasis was placed by many immigrant entrepreneurs on their spiritual values and religious affiliations. How this translated into business ideology and actions varied considerably between groups. To illustrate, the Dutch reflected on values of service through hard work, Pacific immigrant entrepreneurs commented on a connectedness to God and community, while Indians embraced an all encompassing spirituality and Chinese referred to spirituality the least. From a business perspective all immigrant entrepreneurs were achievement oriented and displayed a strong internal locus of control. They were generally goal setters among all four groups, and displayed determination and perseverance - although this was not as strong among Pacific immigrant entrepreneurs. Generally Dutch, Indian and Chinese immigrant entrepreneurs gave more credence to their business strengths whilst Pacific immigrant entrepreneurs focused more heavily on their weaknesses - which may point to differing levels of business confidence between the groups. Work ethic was revealed as a prominent feature of this study within all immigrant entrepreneur groups and was often grounded in a family or cultural foundation, although the 'immigrant factor' should not be underestimated. Work based stress was also identified among all groups although the means of dealing with stress varied significantly across immigrant entrepreneurs from all groups.

Family

Strong family focus was evident across immigrant entrepreneur groups, although the perceived obligation to extended family - at personal or business levels - varied significantly between groups. For instance, obligation was very strong among Pacific immigrant entrepreneurs and negligible throughout Dutch immigrant entrepreneurs. Overall, immigrant entrepreneurs preferred family involvement in their businesses, inferring that their spouses were prominent in the business activities - often complementing the immigrant entrepreneur. But succession by their children was not expected, as they preferred them to become educated and display independence. Male line dominance was not a prominent feature, which is contrary to the literature or, in the case of some ethnic groups, their homeland traditions.

Ethnic community

Immigrant entrepreneurs displayed a connection to their ethnic community, although the level of connection varied significantly. The Dutch spoke of little connection to their community, whilst Indian and Chinese indicated a lack of cohesion within their communities, and Pacific immigrant entrepreneurs felt a very strong sense of obligation to support and engage with their ethnic community. Interaction with the New Zealand community was not prominent in their discussions. However, as already identified, the Dutch immigrant entrepreneurs did speak of their rapid assimilation. Cultural characteristics varied significantly between groups, for example respectfulness was prominent among Pacific immigrant entrepreneurs and bluntness was highlighted amongst Dutch immigrant entrepreneurs. Culturally grounded work ethic was seen as the major business strength by Chinese and Dutch immigrant entrepreneurs, while Indian immigrant entrepreneurs viewed their flexibility as a major strength. Pacific immigrant entrepreneurs saw their cultural heritage as equally a business strength and a weakness. Immigrant entrepreneurs from all groups admitted feeling a mixed sense of national identity, often attempting to live in both worlds of New Zealand norms and their ethnic cultural traditions. Bridging this divide was made significantly more difficult when there were obvious differentiating factors such as accent, colour, or physical features. Emphasis on homeland language varied between groups. The necessity to speak English was emphasised by Dutch and Indian immigrant entrepreneurs, whilst the importance of homeland languages was most prominent amongst Chinese immigrant entrepreneurs. Most Pacific immigrant entrepreneurs were born in New Zealand and hence grew up with English as their first

language. A strong emphasis on bilingualism was also evident among Indian and Chinese immigrant entrepreneurs.

Homeland

Immigrant entrepreneurs generally had some form of personal connection to their homeland. They saw the homeland family connection as important. Dutch and 'established' Chinese immigrant entrepreneurs generally displayed the lowest aspirations for maintaining connections to their homeland. An overall pattern appeared to be that the strength of the 'homeland connection' had an association with the geography (i.e. homeland distance and/or New Zealand clustering) or time distance. To illustrate, Pacific immigrant entrepreneurs retained their connection through being geographically close to their homeland, regular exposure to new immigrants arriving in New Zealand, and living predominantly in urban residential enclaves; whereas the Dutch reduced connection may have been influenced by geographic distance from their homeland, having generally lived in New Zealand for several generations, and being residentially dispersed. Immigrant entrepreneurs business connections to their homeland were limited, with the most prominent being the Chinese immigrant entrepreneurs and Pacific immigrant entrepreneurs expressing the greatest intention of future business connections.

6.4.4 A Comparative Analysis of the Business Construct

Business drivers

Financial security was a significant driving force for entrepreneurial activity. How the benefits of that security were interpreted varied between ethnic groups. For example, status and standing (Chinese immigrant entrepreneurs), collective community benefits (Pacific immigrant entrepreneurs), individual or family benefits (Dutch immigrant entrepreneurs) and social acceptance (Indian immigrant entrepreneurs) were viewed as the overriding outcomes of financial security. Self actualisation was also a very prominent driver with all immigrant entrepreneurs, with strong reference to autonomy, independence and quality of life. External catalysts included career dissatisfaction and, especially among Pacific and Indian immigrant entrepreneurs, the influence of family, friends and colleagues. Immigrant entrepreneurs from all groups displayed the ability to seize business opportunities when they presented themselves.

Learning

Immigrant entrepreneurs from all groups had completed some form of post-school formal education ranging from University study to targeted business seminars. The types of formal learning undertaken by immigrant entrepreneurs prior to going into business included a diverse range of formal education and industry training. University and polytechnic learning was most prominent amongst Indian and Chinese immigrant entrepreneurs, trade qualifications were prominent amongst Dutch immigrant entrepreneurs, while Pacific immigrant entrepreneurs were the least likely to hold a tertiary qualification. Overall, immigrant entrepreneurs in all groups were more likely to have some form of formal qualification than their general ethnic population, although the type of qualifications varied significantly between ethnic groups/immigrant entrepreneurs. Immigrant entrepreneurs in all groups had a strong belief in the value of practical experience, as they predominantly came from positions of previous industry knowledge and employment. Experience preceding education as a prerequisite for their entrepreneurial activity was the general perception. Accountants and spouses were the main business support mechanisms among all groups. Pacific and Indian immigrant entrepreneurs were more inclined to seek advice from their peers than Dutch or Chinese immigrant entrepreneurs.

Business finance

All immigrant entrepreneur groups expressed the need for financial competency in business activities. For instance, the Dutch displayed frugality in business and their personal lives. All groups identified cash-flow or other financial pressures as major issues in establishing and growing their businesses. They also identified personal or family funding as the initial source of capital.

Business characteristics

Overall it was difficult to 'pigeon-hole' immigrant entrepreneurs into stereotypical *ethnic businesses*. The businesses owned by the immigrant entrepreneurs under study covered a broad range of industry sectors and business disciplines, although there was a service orientation for Pacific immigrant entrepreneurs and a production orientation for Dutch immigrant entrepreneurs. The majority of immigrant entrepreneurs in all groups started with very small businesses and had a general market focus. Few had an international focus, with only Chinese immigrant entrepreneurs showing any significant import/export activity.

Immigrant entrepreneurs in all groups had a strong customer orientation – seeing reputation and quality as paramount.

6.4.5 Integration of the Comparative Analysis into the Model of Immigrant Entrepreneurship

The comparative analysis was integrated into the expanded model of entrepreneurship (Table 4) by highlighting the appropriate category descriptors. These phrases included: ‘group specific’ – for properties that only related to specific ethnic groups and not others (e.g. the desire to act as a role model for others was raised by Pacific immigrant entrepreneurs but not Dutch immigrant entrepreneurs); ‘significant variances between ethnic groups’ for properties that were unevenly distributed between ethnic groups (e.g. religious values varied significantly between ethnic groups); ‘significant variances between eras’ for properties that were unevenly distributed between immigration eras (e.g. financial independence varies significantly between pre-1990 and post-1990 immigration areas); ‘no consistent themes’ where properties displayed weak patterns (e.g. immigrant entrepreneurs’ perceptions of New Zealanders showed no consistent patterns), or ‘consistency across ethnic groups’ for properties attributable to all ethnic groups (e.g. strong work ethic was consistent across all immigrant entrepreneurs).

6.5 Application of the Model of Immigrant Entrepreneurship

In conclusion, through undertaking this study the grounded theory methodology led to the development of a holistic model of immigrant entrepreneurship (as previously outlined in this chapter). This model allowed for a broader interpretation and understanding of immigrant entrepreneurship - as it impacts on different ethnic groups in varying environmental contexts - than is currently offered in the literature. While the model and case studies (see Chapter Seven) were developed in a New Zealand context, this study argues that the research has succeeded in developing a model that can be applied to the analysis of immigrant entrepreneurship internationally and consequentially has application to localised ethnic cases in all receiving countries. This study contends that the application of the model of immigrant entrepreneurship has international implications, as a framework for understanding and interpreting global immigrant entrepreneurship. The model,

therefore, delivers a template for data collection through semi-structured interviews of immigrant entrepreneurs (see Appendix 3). The interview data can then be triangulated - as described in the methodology chapter - and written up as individual ethnic case studies for the receiving country in which the study was undertaken. The broader application of the model would not only enable the observation of different ethnic groups within a particular receiving country, but should allow the comparison of immigrant entrepreneurship processes between different receiving countries, and the comparison of immigrant entrepreneurs from the same ethnic background in different receiving countries.

Table 4: Expanded Model of Immigrant Entrepreneurship

Migration Profile	Homeland	Geographic Origins (St-Eng)	<p>Broad geographic spread of migrants and clear distinctions with respect to culture, religion, values between and within ethnic groups – also distinctions with receiving country-born second generation.</p> <p>Within each group IERs did see themselves as distinct and not fitting a generic label of their broad national origin (Links to: cultural/ethnic community/ethnic links and national identity.)</p>
		Residence (St-Eng)	<p>Majority of IERs come from urban backgrounds. The evidence suggests urban (homeland)-to-urban (receiving country) migration is most compatible with entrepreneurial activity. Although there are examples of rural-to-rural and urban-to-rural success, while rural to urban migration was least compatible with entrepreneurial activity.</p> <p>IERs are generally urban-to-urban (Links to: settlement/arrival/social integration.)</p> <p>Extensive travelling gives many IERs added knowledge to apply to their entrepreneurial activity (Links to: cultural/ethnic community/business strengths.)</p>
		Interpersonal/ Family Dynamics (Ip-Eng)	<p>Trend toward large families and lower to middle socio-economic.</p> <p>Strong family focus, with some ethnic groups reflecting on strong parent work ethic. (Links to: cultural /family/values transfer.)</p> <p>Religion Identified as fundamental to most IERs daily life. Significant variance between ethnic groups.</p>
		Work Dynamic (Ip-Eng, St-Eng)	<p>Predominance of blue collar parents.</p> <p>Over half of IERs experienced some entrepreneurial activity within the family.</p> <p>Blue and white collar personal work histories.</p>
	Migration Drivers	Interpersonal (Ip-Eng)	<p>Migration is family influenced, by having family in receiving country or compelled by family/friends in homeland. Many were able to stay with someone they knew. Significant variance between ethnic groups.</p>
		Quality of Life (St-Per, St-Eng)	<p>Strongest driver is the perception of a better quality of life, although sometimes this is inferred rather than directly stated e.g. better career, education opportunities, monetary gains, environment, and easier life. Net value theory applies. Significant variance between ethnic groups.</p> <p>All groups emphasised quality of life for their children.</p> <p><i>Push</i> factor for established migrants –<i>pull</i> factor for new migrants</p> <p>Homeland dissatisfaction was experienced by one third of IERs – predominantly economic and political.</p> <p>One third were purely opportunistic migrants, through visiting receiving country or homeland incidents.</p>
	Immigration	Migration Status (St-Eng; Ip-Eng)	<p>Majority arrive and sought permanent residency or nationality. (Links to: cultural/ethnic community/national identity.)</p> <p>Family status was even split of family and solo migration.</p>
		Practicalities (St-Eng)	<p>Generally arrive with limited financial resources.</p> <p>No consistent themes. IERs experience some migration problems (e.g. regulatory regimes pre and post 1990) and cultural shock - varied considerably between ethnic groups and migration eras.</p>

Settlement Profile	Arrival and Societal Fit	Residence (St-Eng)	Predominantly live in cities , some culture shock. (Links to: migration/homeland/residence/city.) Some clustering : development of enclaves and ethno-burbs. Significant variance between ethnic groups.
		Employment (St-Eng)	Predominantly gain employment pre-arrival or on arrival ; as they are proactive in seeking employment. (Links to: cultural/personal/business perspective.) A level of difficulty in finding 'suitable' employment for some IERs. Low level use of social welfare benefits . Full work integration over time. Experienced some form of employment prior to self-employment. (Links to: business/learning/practical.) There is underutilisation of immigrant specialist skills. They have lower incomes than receiving country born. Predominantly blue collar over white collar employment. Significant variance between ethnic groups and immigration eras.
		Social Integration (St-Eng; St-Per; Ip-Per)	Satisfactory settlement through adaptation to receiving country traditions and idiosyncrasies (e.g. The 'Kiwi-isation' in the NZ context). Significant variance between ethnic groups and immigration eras. Experienced difficulties with cultural and social differences, education, and language – especially interpretation (Links to: cultural/ethnic community/language.) Significant discrimination . Significant variance between ethnic groups.
		Societal Perspective	Characteristics of Receiving Country's Population (St-Per)
	Societal Perspective	Characteristics of Receiving Country's Population (St-Per)	Narrow mindedness and naivety are negative characteristics. A positive perspective is that they are pleasant people. Otherwise there was a range of mixed views with respect to respectfulness, tolerance, and the value of their casual laid-back style. Significant variance between ethnic groups.
		Receiving Country's Infrastructure (St-Per)	Love living in receiving country (e.g. clean green open country - in the New Zealand context). Consistent across ethnic groups. Some societal problems affecting lifestyle and business capability, such as a lack of tolerance and worsening infrastructure. Significant variance between ethnic groups.
		Bring to Receiving Country (St-Per)	Depth and diversity in culture rated prominently, as did food .
	Business Integration	Level of Activity	Many immigrant groups have higher self employment than receiving country average. Significant variance between ethnic groups and between generations.
		Supportive (St-Per; St-Eng)	Comparatively easy to establish SMEs – perhaps too easy.
		Unsupportive (St-Per; St-Eng)	IERs feel the regulatory environment and compliance costs can be unfair or overwhelming, but generally IERs are philosophical about the situation – just get on with business. Unsupportive government and business agencies such as financiers. (Links to: business/finances/access to capital/difficulties.) Significant variance between ethnic groups. The markets are too small and isolated (New Zealand context). The small size of some ethnic groups in receiving country, or homeland size. Group specific. Overall wide ranging views re supportive/unsupportive. No consistent theme.

Cultural Profile	Personal	Life Perspective (Ip-Eng)	<p>Influence of religious values and beliefs. (Links to: migration/homeland/family dynamics, and business/philosophy/ethical practices.) Significant variance between ethnic groups - in pervasiveness, beliefs and application to life.</p> <p>Strong desire for independence. Significant variance between ethnic groups.</p> <p>Have parallels with 'Driver' need for autonomy (Links to: business/drivers/personal.)</p>
		Business Perspective (Ip-Eng)	<p>Achievement orientation was expressed through internal locus of control is strong among all groups. They are proactive in setting goals. They do not conform to preconceived canons of business. They are determined to succeed despite the challenges they faced. (Links to: business/finance, and settlement/arrival and societal fit/social integration.) Significant variance between ethnic groups.</p>
			<p>IErs being proactive in nature, prefer to focus on their strengths. Group specific.</p> <p>Good interpersonal and technical skills are considered strengths. Poor interpersonal and management skills are considered weaknesses.</p>
		Work Ethic (Ip-Eng; St-Eng; Ip-Per)	<p>IErs exhibit strong work ethic through hard work and long hours, with strong family influence on behaviour. (Links to: migration/homeland/family dynamics, and cultural/family/value transfer.)</p> <p>Often necessitated through lack of capital, (Links to: business/finance.) or linked to migrant or cultural behaviours. (Links to: cultural/ethnic community/ethnic business strengths.)</p>
			<p>IErs experience enjoyment in work. They are accepting of long hours, although conscious of the personal trade-offs, and therefore attempt to reduce hours. Significant variance between ethnic groups.</p>
	Family	Business Stress (Ip-Per; St-Eng)	<p>IErs experience significant levels of stress. The catalyst is generally interpersonal or business problems. No consistent theme.</p> <p>Means of dealing with stress vary considerably. Mainly individualistic and materialistic means – when in fact a higher level of intimacy may act as a more effective stress buffer. Significant variance between ethnic groups.</p>
		Family Dynamics (Ip-Eng)	<p>IErs exhibit a family focus before or in conjunction with business.</p> <p>They had positive extended family dynamics and a sense of obligation to family. Group specific.</p> <p>The male authority/line is not prominent, as IEr focus is on family team working and independence (Links to: cultural/family/business connection, and cultural/family/expectation for children.)</p>
		Business Connection (Ip-Per; Ip-Eng)	<p>There is evidence in all businesses of family/spouse involvement (where family in receiving country). Prominence of spouse involvement was an importance dynamic and source of expertise. (Links to: business/learning/external.)</p> <p>Matching family obligation and business practicalities is challenging.</p> <p>Overall involvement was preferred as it was seen as an advantage and part of extended family dynamics.</p> <p>Ethnic/family labour can be a cheap and flexible informal labour market - often unpaid. (Ethnic social capital.)</p>
		Expectation for Children (Ip-Eng)	<p>Desire for children to have strong educational background.</p> <p>Understand importance of education.</p> <p>Emphasis on strong independent children. (Link: cultural/personal/ life perspectives.)</p>

	Cultural Profile (continued)	Family (continued)	Succession (Ip-Per; Ip-Eng)	Succession is not expected , but IERs welcome children's involvement. Significant variance between ethnic groups - in level of succession.
			Values Transfer (Ip-Eng)	The parental values and traditions are important to IER's personal development. Most significant transfer from family was work ethic . Group specific.
		Ethnic Community	Ethnic Links (Ip-Eng; St-Eng)	IERs have an identifiable ethnic community connection in receiving country. Significant variance between ethnic groups - in level of community connection. Intra-group geographic, religious and cultural differences translate into a lack of cohesion . (Links to: migration/homeland/geographic origins.) Strong sense of social obligation to support ethnic community in receiving country, e.g. Church and societies as main networking agencies. Business is a catalyst for community support and for mentoring. (Links to: business/learning/role models.) Significant variance between ethnic groups. Low receiving country community connection. Group specific.
			Ethnic Characteristics (Ip-Eng)	No consistent theme Varying characteristics include: displaying respect, importance of church, cultural identity, bluntness, casualness. Group specific.
			Ethnic Business Strengths/ Weaknesses (Ip-Eng)	Work ethic, cultural base and migrant factor are considered strengths . Significant variance between ethnic groups. Lack of knowledge and poor language skills are considered weaknesses . Group specific. IERs generally focus on strengths . Group specific.
			National Identity (Ip-Eng; Ip-Per)	IERs have a mixed sense of identity , with no strong unified national identity among IERs. Predominantly naturalised citizens of receiving country. Group specific.
			Language (Ip-Eng; Ip-Per)	Emphasis on both homeland and English language. Significant variance between ethnic groups. Strong theme of bilingualism . IERs have a range of language skills (i.e. speak two or more languages). Group specific.
		Homeland Relation- ship	Personal Connection (Ip-Eng; Ip-Per)	Importance of homeland personal connections to family and friends. Varies significantly between groups – level of connection. (Links to: migrant/homeland/origins.) Few IERs speak specifically of the need for their business to support family in homeland , but overall speak of having receiving country extended family obligations. (Links to: cultural/family/family dynamics.) Regularly visit homeland or have intentions to do so. Some may return permanently.
			Business Connection (St-Eng; St-Per)	Limited homeland business activity. There are, however, intentions to do business in the future. Significant variance between ethnic groups.

Business Profile	Drivers	Financial and Business	<p>IERS financial security is considered very important. (Links to: settlement/arrival/employment/work.)</p> <p>Beyond security money was not generally a driving force, as business reputation and business sustainability took precedence - which drives reinvestment into their businesses. (Links to: business/finances/ assess to capital.)</p>
		Personal (Ip-Eng; St-Eng)	<p>Overall IERS display the self actualisation characteristic through: a preference for autonomy as they dislike being controlled or told what to do (independent minded); a need to be challenged to achieve; and wanting the rewards of their efforts.</p> <p>The risk taking aspect is more implied by actions rather than a considered option.</p> <p>IERS state the significance of pride and credibility. Group specific.</p> <p>Although important, quality of life is not such a prominent business driver because receiving countries often offer other avenues for quality of life, e.g. freedom, clean-green. (Links to: settlement/arrival and societal fit/social integration.)</p> <p>There is a personal desire of IERS to contribute to ethnic community and family. (Links to: cultural/ethnic community/community link.) Group specific.</p>
		External Catalyst (St-Eng; St-Per; Ip-Eng)	<p>There is minimal forced entrepreneurship, although disadvantage (such as: language, discrimination and employment) is influential in overall decision making. (Links to: settlement/arrival and societal fit/social integration, and business/characteristics/development.)</p> <p>Career dissatisfaction or lack of career opportunity contributes to half of the IERS start-up decisions. (Links to: settlement/arrival and societal fit/social integration.)</p> <p>Help and interaction of colleagues and friends greatly influence many IER start-ups, as does family emotional, financial and labour support. Significant variance between ethnic groups.</p> <p>The proactive characteristic of IERS is reflected in them seizing opportunities. (Links to: cultural/personal/business.) They look for niche markets within their community – ethnic or otherwise (Links to: business/characteristics/business focus.)</p> <p>There is a multi-dimensional nature to IER drivers.</p>
	Learning	Academic (St-Eng)	<p>IERS are involved in formal education. This varies from University study to short courses/seminars. They often had significant tertiary education prior to entrepreneurial activity.</p> <p>IERS are more likely to have some form of formal qualification than the general immigrant population. Significant variance between ethnic groups – in type and level of qualification.</p> <p>Most prominent are non-business qualifications, with half of IERS engaged in post-business formal education.</p> <p>Problems with homeland qualification 'fit' in host country. (Links to: settlement/ settlement/arrival and societal fit/social integration.)</p>
		Practical (St-Eng; Ip-Per)	<p>Overwhelmingly IERS come from an industry background similar to their entrepreneurial activity.</p> <p>They place strong emphasis on learning on the job during entrepreneurial activity.</p> <p>The value of practical experience exceeds the importance of education, although both are valued.</p>

Business Profile (continued)	Learning (continued)	Externally Sourced Knowledge (St-Eng; Ip-Eng)	<p>All IERs use accountants to varying levels, from advisors to bookkeepers.</p> <p>They view spouses as an important source of support and skill.</p> <p>They utilise the skills of community members (ethnic social capital) and business colleagues. (Links to: cultural/community/ethnic characteristics.) Group specific.</p> <p>Many IERs are reluctant to use professionals in the early stages of their entrepreneurial activity, although some use free services.</p>
		Role Models (St-Eng; Ip-Eng; Ip-Per)	<p>Various business and non-business role models are influential in the lives of IERs, with parents the most prominent role models.</p> <p>IERs knowingly or unknowingly act as roles models. Group specific.</p>
	Business Finances	Financial Practices (Ip-Eng)	<p>IERs recognise financial competency as important, as in the need to be responsible and organised with money matters.</p> <p>They highlight frugality (prudence) as part of their life style. Significant variance between ethnic groups.</p>
		Access to Capital (St-Eng; Ip-Eng)	<p>IERs access family/personal funding as in family members, self funding, colleagues and friends being the major sources of capital.</p> <p>Many IERs had low needs for start-up cash. (Links to: business/characteristics/focus.)</p>
		Challenges (St-Eng)	<p>IERs have limited capital. (Links to: migration/immigration/practicalities.), so often compensate for this by displaying frugality and working long hours. (Links to: cultural/personal/work ethic.)</p> <p>They have difficulty accessing institutional funding, i.e. bank funding. (Links to: settlement/business integration/unsupportive.) Significant variance between ethnic groups.</p>
	Business Characteristics	Business Type (St-Eng)	<p>No consistent theme - to 'stereotyping' ethnic groups into business types.</p> <p>Businesses are service dominated. Variance between ethnic groups.</p>
		Business Focus (St-Eng)	<p>IERs have a strong receiving country market focus, with even the ethnic food industry catering for the general market.</p> <p>There is limited international activity. Significant variance between ethnic groups.</p> <p>They establish small businesses with low entry barriers, but strong competition. There was a prominence of 'one site only' businesses.</p>
		Business Development (St-Eng; St-Per; Ip-Eng)	<p>IERs' start-up challenges include limited experience and difficulty getting financial backing. (Links to: business/finance/access to capital.)</p> <p>IER's businesses are growing or IERs express a desire to grow.</p> <p>The challenges to growth include staffing, customers, limited management skills and personal limitations. No consistent theme.</p>
	Business Philosophy	Management Practices (Ip-Per)	<p>No consistent theme - as to people and task styles.</p>
		Customer Practices (St-Per)	<p>Strong customer satisfaction focus across all groups. (Links to: business/characteristics/type/.)</p> <p>There is also a marketing focus based on reputation and targeting customers (often word-of-mouth), and a product focus based on quality and suitability.</p>
		Ethical Practices (Ip-Per)	<p>Strong cultural influences on IER behaviours are honesty, integrity and fairness. (Links to: cultural/ethnic community/characteristics.)</p> <p>They also identify faith and respect as important. (Links to: cultural/ethnic communitycharacteristics.)</p>

CHAPTER SEVEN

OVERVIEW OF THE CASE STUDIES OF IMMIGRANT ENTREPRENEURSHIP

The normative model of immigrant entrepreneurship became the framework for the development of the final stage of this study - the writing of the individual ethnic group case studies. Each case was established through case study methodology which called for data triangulation, where three sets of data were compared and synthesised. These data sets were: the immigrant entrepreneurs' interview data from each specific ethnic group, which was collected during the grounded theory study; the data recorded from eight interviews with ethnic community leaders (Appendix 4)- with two commentators from each of the four ethnic groups - using a semi-structured interview instrument based on the normative model (Appendix 5); and the existing literature on the specific ethnic groups, for example the New Zealand Census (2001) and the Family Structure Report for the New Zealand Immigration Service (Fletcher, 1999). The triangulated raw data was analysed using the immigrant entrepreneurship model framework and tabulated for comparison and interpretation purposes (see Chapter Four for a detailed description of the case study methodology). The methodology concluded with the three synthesised data sets being written up as four individual cases which are presented in this chapter as Chinese, Dutch, Indian and Pacific Peoples case studies of immigrant entrepreneurship.

7.1 Chinese Case Study of Immigrant Entrepreneurship

The Chinese have lived in New Zealand for over 130 years and have played a small but significant part in New Zealand's historical development. The first Cantonese came as gold seekers in the mid 1800s and faced significant hardship and discrimination. For example, the Chinese had a poll tax imposed on them and were excluded from mainstream society. After the gold rush, however, a core of Chinese remained in New Zealand and established themselves through small businesses such as market gardens, laundries and fruit shops. From the 1950s onwards New Zealand society became more accepting of the Chinese community, although they could not fully assimilate because they 'looked different' and they retained strong ties to their traditional culture and adhered to strong family obligations.

Since 1986 a new era began with skilled and educated newcomers arriving from Hong Kong, Central China and Northern China. They have established themselves in the major New Zealand cities and are distinct from the traditional Cantonese migrants with respect to language, history, expectations and attitudes.

This Chinese case analysis focuses discussion on the nature of Chinese entrepreneurial activity in New Zealand and is based on triangulated research undertaken from September 2005 to May 2007, consisting of: (1) nineteen face-to-face or telephone interviews with ten Chinese immigrant entrepreneurs; (2) one face-to-face interview with a Chinese community leader and one secondary source; and (3) a review of the relevant immigration and ethnic literature (Basu, 1998; Benson-Rea & Rawlinson, 2003; Collins, 2003; Dana, 1995; Dana & Dana, 2003; Duncan et al., 1997; Dunstan et al., 2004; Elliott & Gray, 2000; Fernandez & Kim, 1998; Giese, 2003; Guerassimoff, 2003; Hiebert, 2003; Ip, 2002; Le, 1999; Li, 1993; Min & Bozorgmehr, 2003; Ng, 2001; Salt, 1992; Scott, 2007; Sheung, 2002; Statistics New Zealand, 2001a, 2001c; Thuno, 2003; Whybrow, 2005; Zhang, 2003; Zodgekar, 1980). The case study evidence is presented in a format based on the structural outline of the immigrant entrepreneurship model (developed in Chapter Six) and utilises the four constructs: migration profile, settlement profile, cultural profile and business profile.

7.1.1 Migration

Homeland

Chinese immigrant entrepreneurs or their immigrant parents²⁰ came from geographically dispersed Chinese origins (see Appendix 6.1.1). Broadly speaking, Chinese immigrants fit into two distinctly different groups; the ‘established’ immigrant who arrived in New Zealand pre-1986, and the ‘new’ immigrants who have come to New Zealand post-1986. The new generation of Chinese immigrant entrepreneurs came from throughout China, were from large cities, small middle-class families and spoke Mandarin. The immigrant parents of established Chinese immigrant entrepreneurs, on the other hand, came from the rural Canton region, from large families with working class roots, spoke Cantonese, and generally suffered from poverty. All Chinese immigrant entrepreneurs reflected upon the strong work ethic of their parents.

²⁰ Refers to the immigrants parents of New Zealand-born IERS.

Drivers

The overwhelming personal factor driving migration was achieving an economic based better quality of life (Appendix 6.1.2). For established immigrant entrepreneurs their parents came to New Zealand to earn money for their families in China, while new Chinese immigrant entrepreneurs were looking for a better lifestyle for themselves and their children. For example, the perception of better education for their children was highlighted as an important migration driver for new Chinese, while poverty in their homeland was a driver for established Chinese.

Immigration

The Chinese immigrant entrepreneurs or their immigrant parents generally knew little about New Zealand before arriving. Their migration was predominantly solo. There was clear evidence of regulatory challenges in gaining entrance to New Zealand, but once they did, they quickly sought permanent residence (Appendix 6.1.3).

7.1.2 Settlement

New Zealand arrival and societal fit

Both new and established Chinese immigrant entrepreneurs generally resided in New Zealand cities. This was typical of Chinese immigrants who clustered in New Zealand city suburbs: with Auckland being the most popular location (see Appendix 6.2.1). Although there was some unemployment for general Chinese newcomers, immigrant entrepreneurs had fully integrated into the New Zealand labour force prior to self-employment. Chinese immigrant entrepreneurs had found employment in the broader New Zealand community rather than within their own ethnic community, and there was a predominance of white collar employment among the new migrants. Chinese immigrant entrepreneurs reflected on their own or family experience with discrimination in New Zealand, both historically and in the current context. Discrimination, language problems, physical differences, limited economic means, and traditional obligations to retain Chinese culture, were identified as hindering Chinese immigrant entrepreneurs' full integration into New Zealand society. Despite these difficulties, they felt New Zealand was a good country to live in, and they believed that the Chinese community added to the New Zealand cultural mix – especially with respect to cuisine.

Societal perspectives

There were few clear opinions about New Zealand society, except that this country was less developed than other Western societies. But, overall, Chinese immigrant entrepreneurs felt New Zealand was a good country to live in, and they enjoyed the clean green environment it offered. There was also reference made to changing attitudes in New Zealand to greater acceptance of the Chinese (Appendix 6.2.2).

Business integration

The Chinese in New Zealand were more active in self-employment than the general New Zealand population (see Appendix 6.2.3). Chinese immigrant entrepreneurs felt that it was comparatively easy to establish a small business in this country, although they had concerns about the small nature and isolation of the New Zealand market. They also had concerns about the level of regulation and compliance costs they were required to contend with.

7.1.3 Culture

Personal and family

Chinese immigrant entrepreneurs displayed strong independence, internal locus of control and determination. They were goal setters, had confidence in their own business ability, and worked long hours (see Appendix 6.3.1). Chinese immigrant entrepreneurs also spoke of having a strong family focus, although ‘new’ immigrant entrepreneurs often had no family in New Zealand. In general they believed in commitment to immediate family over extended family, they conformed to male and parental authority lines, and reflected on the importance of the transfer of traditional Chinese values from their parents. All Chinese immigrant entrepreneurs had family involved in their businesses (where they had family in New Zealand). In many cases the spouses played a prominent role. Children also regularly helped out in the business, but were directed towards attaining academic excellence (see Appendix 6.3.2).

Ethnic community

Chinese immigrant entrepreneurs emphasised the importance of a Chinese community connection, especially in relation to employing within their community. This was despite indicating a lack of cohesion between the established and new Chinese immigrants (see

Appendix 6.3.3). Hence they tended to operate in sub-communities. Connection to the broader New Zealand community was not a prominent feature in the case analysis, although there was an expressed view that this was improving. Chinese immigrant entrepreneurs believed that the Chinese community, as a whole, had the identifiable characteristic of respectfulness, unique cultural identity, and being good hardworking businesspeople. They considered a lack of knowledge and language difficulties as business weaknesses in the Chinese community. Chinese immigrant entrepreneurs were New Zealand citizens, but many felt a sense of mixed identity, as they felt an obligation to retain traditional customs, language, and networks.

Homeland

New Chinese immigrant entrepreneurs had strong homeland connections while established Chinese immigrant entrepreneurs had little or none – although some felt a psychological connection (see Appendix 6.3.4). Chinese immigrant entrepreneurs were also the most likely of the four groups in the full immigrant entrepreneurship study to have homeland business connections.

7.1.4 Business

Drivers

Financial considerations such as material rewards and security were business drivers for Chinese immigrant entrepreneurs. Personal needs for self-actualisation and being rewarded for their efforts came through as stronger business drivers, however. To a lesser extent the case analysis identified the drivers of quality of life, challenge, and personal growth (Appendix 6.4.1). There was little evidence of forced entrepreneurship, however, factors of disadvantage did influence the Chinese immigrant entrepreneurs' entrepreneurial decision making. There was also evidence of Chinese immigrant entrepreneurs being very proactive in seizing opportunities within their local community.

Learning

The Chinese immigrant entrepreneurs' formal education levels were higher than the general Chinese population in New Zealand (Appendix 6.4.2). The distinction was most prominent among the 'new' immigrant entrepreneurs who did, however, comment on the poor 'fit' of

their homeland qualifications into the New Zealand context. Overall, Chinese immigrant entrepreneurs had strong industry knowledge and placed emphasis on *learning on the job*, in believing that practical experience was more important than business education as a prerequisite for their entrepreneurial activity. Accountants were the most prominent professional used by Chinese immigrant entrepreneurs, and they emphasised the need to develop trust before using any business professional.

Finance

Chinese immigrant entrepreneurs recognised the need to be financially prudent in business and frugal in living (see Appendix 6.4.3). The raising of capital for business ventures often occurred within the family. Banks were the major source of institutional finance, but language and a lack of understanding of the New Zealand system were viewed by new Chinese immigrant entrepreneurs as a disadvantage in dealing with financial institutions. Chinese immigrant entrepreneurs managed their way through cash-flow problems with their propensity for frugality and hard work.

Characteristics

The business activities of Chinese immigrant entrepreneurs did not fit any stereotype (Appendix 6.6.4), as they operated in numerous industry sectors. Chinese businesses generally had a national or international focus, rather than a specific ethnic market focus. Their businesses were generally small but intent on growth and helped them gaining creditability in their community. They believed in the old adage ‘you reap what you sow.’ They also had a strong customer focus as they relied on reputation, close ties to their customers, and word of mouth to drive their businesses.

7.2 Dutch Case Study of Immigrant Entrepreneurship

The Dutch have played a small but unique part in New Zealand’s historical development. The conclusion of the Second World War precipitated a wave of people leaving The Netherlands, resulting in the migration of thousands of Dutch to New Zealand. For the Dutch, the legacy of the war and its aftermath left a *lost generation*, a generation whose youth had been shattered by the war and who sought a new life in a new environment. Consequentially, for economic, political and social reasons a tradition of immigration to

New Zealand began and continued for two decades. Between 1950 and 1968 New Zealand had a net gain of 24,842 Dutch immigrants (Thomson, 1970). During this time the majority were financially assisted by the Dutch or New Zealand government sponsored agencies, and integrated rapidly into the New Zealand society. Initially farmers immigrated to New Zealand, however over time this balance shifted to skilled labour (Hartog & Winkelmann, 2003). This migration structure between New Zealand and The Netherlands remained intact throughout the 20th century, but from the mid 1960s as the Dutch economy improved, the migration trend declined. By the time the Dutch government denounced the Migration Treaty in 1993, (Hartog & Winkelmann, 2003), immigration to New Zealand had already steadily diminished. The 2001 New Zealand Census indicates, in fact, that during the previous ten years there was only a net gain of 2,274 Dutch immigrants (Statistics New Zealand, 2001a). As to how many people in New Zealand are of Dutch descent, there are no reliable figures. Schouten (1992) suggests that rough estimates put the figure at over two percent. With the New Zealand population at 4 million this could be as many as 100,000 New Zealanders with Dutch links.

This Dutch case analysis focuses discussion on the nature of Dutch entrepreneurial activity in New Zealand and is based on triangulated research undertaken from September 2005 to May 2007, consisting of: (1) twenty face-to-face or telephone interviews with eleven Dutch immigrant entrepreneurs; (2) face-to-face interviews with a Dutch community commentator and a Dutch business commentator; and (3) a review of the relevant immigrant and ethnic literature (Basu, 1998; Benson-Rea & Rawlinson, 2003; Collins, 2003; Dana & Dana, 2003; de Vries, 2003a; Duncan et al., 1997; Dunstan et al., 2004; Elkin & Inkson, 2000; Elliott & Gray, 2000; Hartog & Winkelmann, 2003; Hunter, 2007; Lane, 1972; Min & Bozorgmehr, 2003; Salt, 1992; Schouten, 1992; Statistics New Zealand, 2001a, 2001c; Thomson, 1970; Whybrow, 2005). The case study evidence is presented in a format based on the structural outline of the immigrant entrepreneurship model (developed in Chapter Six) and utilises the four constructs: migration profile, settlement profile, cultural profile and business profile.

7.2.1 Migration

Homeland

Dutch immigrant entrepreneurs or their immigrant parents²¹ were drawn from across a small European country, and are therefore relatively homogeneous apart from provincial and religious distinctions. They came from rural and urban backgrounds, lower–middle class, and large families. In discussing homeland family dynamics, Dutch immigrant entrepreneurs reflected on the strong work ethic of their blue collar parents, entrepreneurial activity within their family, and strong religious values (see Appendix 7.1.1).

Drivers

The overwhelming personal migration driver for Dutch IERs (or their immigrant parents) was to realise a better way of life. The post-World War Two Dutch immigrant entrepreneurs suffered significant economic hardship and chose migration as a means of removing themselves from homeland dissatisfaction. The new Dutch immigrant entrepreneurs (post-1980), however, came from a prosperous Netherlands and did not seek quality of life simply based on material gain, as they were looking for adventure or escape from pollution and overcrowding (see Appendix 7.1.2).

Immigration

Migration by Dutch immigrant entrepreneurs or their immigrant parents was generally in family units or as couples (who married on arrival). The post-WWII immigrant entrepreneurs had limited knowledge of New Zealand and minimal financial resources, but came with the expectation of permanent residence in New Zealand. The modern Dutch immigrant entrepreneurs were wealthy by comparison, and had a greater knowledge of New Zealand, for example some had visited previously (see Appendix 7.1.3).

²¹ Refers to the immigrants parents of New Zealand-born IERs.

7.2.2 Settlement

New Zealand arrival and societal fit

Dutch immigrant entrepreneurs typically (but not exclusively) resided in New Zealand cities. Dutch settlement overall, closely matched the population distribution of New Zealand. Dutch immigrant entrepreneurs or their immigrant parents found work in the broader New Zealand community, rather than within their own ethnic community. All Dutch immigrant entrepreneurs had fully integrated into the New Zealand labour force prior to self-employment - predominantly in blue collar jobs. They experienced employment disappointments and tension with New Zealand work colleagues over their strong work ethic. Dutch immigrant entrepreneurs integrated well, as did most of the New Zealand Dutch community. They had a positive and conscious desire to assimilate, and apart from the language differences, blended in easily with the New Zealand European/Pakeha population.(Appendix 7.2.1).

Societal perspectives

Dutch immigrant entrepreneurs felt that New Zealand was a good society to live in (Appendix 7.2.2). They were generally accepted by New Zealanders and assimilated well (as already identified), although sometimes Dutch immigrant entrepreneurs struggled with the laid-back nature of New Zealanders. They did not believe they brought anything of cultural significance to New Zealand, but believed they brought an industrious mindset.

Business integration

Dutch in New Zealand were generally more active in self-employment than the general New Zealand population (Appendix 7.2.3). Dutch immigrant entrepreneurs felt that it was comparatively easy to establish a small business in this country, although they had some concerns about the level of regulations and compliance costs they had to deal with.

7.2.3 Culture

Personal

Personal needs for financial security, autonomy and challenge came through as business drivers, as Dutch immigrant entrepreneurs were strongly individualistic. Religious values

were also highlighted by half the Dutch immigrant entrepreneurs as influencing their strong work ethic (Appendix 7.3.1). They had strong internal locus of control, were reasonably active goal setters, and believed that they had their own unique style of 'doing business.' They also had great confidence in their own business ability. They were hard working and happy to work long hours, which had often put them at odds with New Zealand colleagues at work. Overall they expressed their enjoyment of work. Dutch immigrant entrepreneurs also commented on job dissatisfaction influencing their desire to go into business.

Family

Dutch immigrant entrepreneurs had a strong family focus, but this did not generally carry forward to extended family (Appendix 7.3.2). All Dutch immigrant entrepreneurs had family involved in their businesses, and they frequently spoke of the importance of the relationship between family and business. The spouse generally had a prominent role and children also often had active roles in the business. The case analysis highlighted a high level of succession in Dutch businesses. Never-the-less, any Dutch immigrant entrepreneurs' thoughts of business succession were secondary to the expectation that children would become independent and successful in their own right. The case analysis also identified a mix of male and female entrepreneurs, with cultural elements of male dominance not being such a strong factor. The transfers of values from parents - especially work ethic and independence - were considered important by Dutch immigrant entrepreneurs.

Ethnic community

Dutch immigrant entrepreneurs de-emphasised the importance of unity in the Dutch community, as they had a desire to fully assimilate into New Zealand society - an objective which they have achieved successfully. They believed that the Dutch community had identifiable characteristics of bluntness and stubbornness, which could sometimes put them at odds with New Zealanders (Appendix 7.3.3). The case analysis also identified the importance of religion, and the Dutch immigrants' business characteristics of industriousness and thoroughness. Although the Dutch had a reputation for assimilation, some Dutch immigrant entrepreneurs admitted a sense of mixed identity, as half had still retained their Dutch nationality. The retention of their Dutch language was of lesser significance, as the case analysis identified the Dutch giving language the least emphasis of

the four ethnic groups in the broader immigrant entrepreneurship study. In fact, the Dutch language was often lost by the second or third generation in New Zealand.

Homeland

Dutch immigrant entrepreneurs generally had some form of homeland family connection, with visits to or from the Netherlands being the most prominent form of contact. They did, however, show the lowest predisposition to maintain homeland connections of the four groups in the broader immigrant entrepreneurship study. Dutch immigrant entrepreneurs' propensity to assimilate and disconnect from their past also translated into minimal homeland business connections (see Appendix 7.3.4).

7.2.4 Business

Drivers

Pride and reputation superseded material reward as business drivers for Dutch immigrant entrepreneurs (see Appendix 7.4.1). Self-actualisation and a need for personal challenges were also identified as drivers. Dutch immigrant entrepreneurs wished to be rewarded for their efforts, as they felt that - as immigrants - their personal pride and credibility was at stake through the level of success they achieved. Quality of life was also identified by half the Dutch immigrant entrepreneurs as influencing their desire to go into business. There was little evidence of forced entrepreneurship, however, employment dissatisfaction did influence the Dutch immigrant entrepreneurs' decision making.

Learning

Dutch immigrant entrepreneurs' formal education levels were higher than the general Dutch population in New Zealand (see Appendix 7.4.2). Overall, Dutch immigrant entrepreneurs had strong industry knowledge in the area of their entrepreneurial activity, and placed the greatest emphasis on 'learning on the job.' They believed that practical experience was more important than business education as a prerequisite for running a business. Professional business advice was commonly limited to the use of accountants, as Dutch immigrant entrepreneurs spoke of having difficulty with their peers and mistrusting professional help. They also did not consider that role models added to their learning, but they did generally value the support and skills of their spouse.

Finance

Dutch immigrant entrepreneurs recognised the need to be financially prudent and had a reputation for frugality in their everyday lives. They commonly started their businesses small so that they had low capital needs, but when finances were needed their financial institution of choice was their bank (see Appendix 7.4.3).

Characteristics and philosophies

Dutch immigrant entrepreneurs' businesses did not fit any stereotype, and generally their businesses had a national market rather than an ethnic market focus (see Appendix 7.4.4). Their businesses were generally of small to medium size, and they were intent on continued growth. They had a customer focus, often relying on word of mouth as a means of disseminating their reputation for quality and innovation. Honesty and integrity were also highlighted by Dutch immigrant entrepreneurs as part of their business philosophy. However, when coupled with their propensity for bluntness, these traits were sometimes perceived as bordering on rudeness by New Zealand society.

7.3 Indian Case Study of Immigrant Entrepreneurship

India is one of the world's rapidly growing regions, with expanding markets for goods and services. Since the 1980s, India has undergone major reforms with innovation, new technologies, and an increasingly skilled workforce, especially in the IT sector. Within a decade India may become the third largest economy in the world in terms of purchasing power (Steeds, 2006). Therefore, New Zealand has been working to strengthen political and trading links between the countries for the benefit of present and future generations of New Zealanders. Migration from India has long been a strong connector between the two countries. Indian migrants to New Zealand are the third largest minority group behind Polynesians and Chinese (Tiwari, 1980). Their history in New Zealand spans over 100 years and the cultural and business impact of the Indian community is felt throughout New Zealand society.

This Indian case analysis focuses discussion on the nature of Indian entrepreneurial activity in New Zealand and is based on triangulated research undertaken from September 2005 to May 2007, consisting of: (1) nineteen face-to-face or telephone interviews with ten Indian

immigrant entrepreneurs; (2) two face-to-face interviews with Indian community leaders; and (3) a review of the relevant Indian migrant literature (Apitzsch, 2004; Basu, 1998; Benson-Rea & Rawlinson, 2003; Collins, 2003; Dana & Dana, 2003; Duncan et al., 1997; Dunstan et al., 2004; Elliott and Gray, 2000; Janes, 2006; McLeod, 1980; Mace et al., 2005; Min & Bozorgmehr, 2003; Palakshappa, 1980; Salt, 1992; Scott, 2007; Shepard, 1980; Tiwari, 1980; Whybrow, 2005; Wilson, 1980; Xiang, 2001; Zodgekar, 1980). The case study evidence is presented in a format based on the structural outline of the immigrant entrepreneurship model (developed in Chapter Six) and utilises the four constructs: migration profile, settlement profile, cultural profile and business profile.

7.3.1 Migration

Homeland

Indian immigrant entrepreneurs came from geographically dispersed origins with distinct cultural, religious and values systems (see Appendix 8.1.1). They were predominantly from an urban middle socio-economic background, reflected on happy childhoods, and identified religious beliefs as fundamental to their homeland way of life. They spoke of a broad spectrum of blue or white collar employment among their immediate families, and entrepreneurial activity in their extended families. Generally they migrated with the intention of becoming employees, and developed into entrepreneurs after being employed in New Zealand for some time.

Drivers

There was considerable family influence in Indian migration to New Zealand (see Appendix 8.1.2). The overwhelming driver was to improve their quality of life. This was expressed through a stated desire for better careers and educational opportunities, for themselves and especially their children. The push factor of homeland dissatisfaction (e.g. political or racial dilemmas) was often stated as influencing the decision to migrate, while more recent arriving Indian immigrant entrepreneurs referred to the attractiveness of New Zealand (pull factor) as triggering their migration.

Immigration

Predominantly, Indian immigrant entrepreneurs migrated as family units, and with varying levels of financial resources or knowledge about New Zealand (see Appendix 8.1.3). They spoke of the difficulties in gaining residency in New Zealand, but displayed fortitude in battling the immigration system to establishment themselves and their families in this country.

7.3.2 Settlement

New Zealand arrival and societal fit

Indian immigrant entrepreneurs settled in New Zealand cities, where they sought immediate employment. They spoke of having difficulty getting ‘the right’ job, but generally integrated into the New Zealand workforce effectively (Appendix 8.2.1). Indian immigrant entrepreneurs reflected on the physical and cultural differences between themselves and New Zealanders, which resulted in the categorising of the Indian community in New Zealand as different, but generally their adaptable and flexible nature allowed them to overcome difficulties and many forms of discrimination. Although the Indian community congregated in cities, they did not live in enclaves. Therefore, Indian immigrant entrepreneurs lived throughout the New Zealand community. They were generally fluent in English and adapted well to New Zealand conditions, while still retaining their Indian traditions and values such as food, religion and a belief in non-violence.

Societal perspectives

Indian immigrant entrepreneurs felt New Zealand was a good society to live in, and that New Zealanders were pleasant but somewhat insular people (Appendix 8.2.2). They generally appreciated the natural environment New Zealand had to offer. They believed that they brought diversity and harmony to the New Zealand way of life. Of significant importance was their belief in non-violence.

Business integration

The Indian level of entrepreneurial activity was less than the New Zealand average because of Indian migrants’ predisposition to employment and the low need for independence (see Appendix 8.2.3). Indian immigrant entrepreneurs found it relatively easy to enter business

in New Zealand. However, they had concerns about the small nature and isolation of the New Zealand market, and were frustrated by regulation and compliance costs. But overall they adjusted well to these problems.

7.3.3 Culture

Personal

The Indian immigrant entrepreneurs' mindset was strongly influenced by their faith and spirituality and by the diversity of its expression (Appendix 8.3.1). They displayed a strong internal locus of control and generally felt in control of their lives. They were goal setters, were determined to succeed, and had confidence in their own business ability. Indian immigrant entrepreneurs worked long hours and this was considered typical of the Indian character. They were generally accepting of the need to work long hours as there was generally no work-life balance in the Indian context.

Family

A sense of family obligation was prominent among Indian immigrant entrepreneurs with respect to immediate family, but less so toward extended family. Bloodline was still considered important, as attested by a number of arranged marriages. The traditional Indian patriarchal model, however, appeared to be softening in New Zealand. Indian immigrant entrepreneurs had strong family involvement in their business activities as an informal source of labour, although there were conflicting views on the preference for succession (see Appendix 8.3.2). Generally Indian immigrant entrepreneurs guided their children into higher education, and into the development of independent lives and employment. They also referred to the importance of the parental values transfer, with respect to those values which were passed on by their parents and those they passed on to their children.

Ethnic community

The Indian community in New Zealand is divided in many ways, including: language, tradition, region of origin, and religion. Due to this lack of a unified community, Indian immigrant entrepreneurs tended to focus on sub-communities and New Zealand affiliations (see Appendix 8.3.3). They did, however, support the diverse Indian community through employment. Indian immigrant entrepreneurs believed that the Indian community had

identifiable characteristics of: strong spirituality (e.g. law of Karma), being good workers, and conducting themselves discreetly in the broader New Zealand community. They also felt that the Indian value system and their flexibility and adaptability were beneficial to business activity. Indian immigrant entrepreneurs were New Zealand citizens, but integration was incomplete as they attempted to live in both worlds. That is, adapting to their new home while still retaining traditional customs and language.

Homeland

Indian immigrant entrepreneurs had strong personal homeland connections, and therefore visited their homeland regularly (see Appendix 8.3.4). Distance was, however, considered to be a significant barrier for some immigrants. There were only a few examples of business connections, as New Zealanders' hesitance to utilise immigrants and their contacts were noted as a restricting factor in developing overseas markets.

7.3.4 Business

Drivers

Business drivers included financial security, as opposed to excessive wealth, and the aspiration to 'be someone.' To Indian immigrant entrepreneurs, retaining a good business reputation outstripped other considerations such as lifestyle. However, they did confirm the desire to take control of their lives and to be rewarded for their efforts (see Appendix 8.4.1). They were driven by a quest to take advantage of their own skills and seize opportunities, rather than be frustrated with the New Zealand labour market. As such there was little evidence of forced entrepreneurship, but employment dissatisfaction did influence the Indian immigrant entrepreneurs' decision making.

Learning

Indian immigrant entrepreneurs were well qualified, having higher formal education levels than other Indian migrants or the general New Zealand population (see Appendix 8.4.2). Education appeared to enhance their entrepreneurial capability, as did their practical experience. Most had significant industry experience prior to going into business, and considered 'learning on the job' as vital to their success. Indian immigrant entrepreneurs took the initiative to seek out knowledge when required, but they were reluctant to depend on business professionals to help run their businesses. They preferred to talk to and seek

advice from their trusted peers. They were also inspired by role models, from family members to national figures such as Mahatma Gandhi.

Finance

Financial responsibility and frugality was considered part of Indian immigrant entrepreneurs overall lifestyle and belief system (see Appendix 8.4.3). Indian immigrant entrepreneurs did have some difficulties with raising institutional capital and, therefore, this mainly occurred in the context of their family and community. Family capital was the cornerstone of many of the business start-ups. Often Indian immigrant entrepreneurs managed their way through cash-flow problems with their propensity for a parsimonious lifestyle and the working of very long hours.

Characteristics and philosophies

Generally it was unwise to pigeon-hole Indians immigrant entrepreneurs into stereotypical businesses, although there was a dominance of service and one-site businesses in the case analysis (see Appendix 8.4.4). The Indians immigrant entrepreneurs' start-ups were evenly split between new ventures and the buying of established businesses, with all the businesses focused on managed growth. The majority of Indian immigrant entrepreneurs stated that their businesses had a general New Zealand market focus, and were involved with only limited international activity. Philosophically, Indian immigrant entrepreneurs' business values were based on karma, quality, customer focus and word-of-mouth marketing. They also made reference to the need for honesty, integrity, and fairness in business (see Appendix 8.4.5).

7.4 Pacific Peoples Case Study of Immigrant Entrepreneurship

Post-World War Two, New Zealand needed workers for its factories and service sector. The indigenous people of the surrounding South Pacific proved a popular source of labour (Gough, 2006). This demand remained high during the 1960s and 1970s. However, when New Zealand began to experience recession, Pacific People became the 'scapegoats' for many of society's problems and they suffered from high unemployment and discrimination. By the turn of the century New Zealand's economic position had improved substantially and the Pacific community was strongly established in city enclaves within the New

Zealand societal infrastructure. The 2001 New Zealand census identified that 231,801 people in New Zealand were of Pacific ethnicity, half of whom were of Samoan background, of which six out of ten were New Zealand born (Statistics New Zealand, 2001b). This constitutes the largest minority immigrant group in New Zealand. As the Pacific community is now well established in New Zealand, their cultural and economic impact is felt throughout society and will continue to gain in importance with future generations.

This Pacific Peoples case analysis focuses discussion on the nature of their entrepreneurial activity in New Zealand and is based on triangulated research undertaken from September 2005 to May 2007, consisting of: (1) eighteen face-to-face or telephone interviews with eleven Pacific immigrant entrepreneurs; (2) two face-to-face interviews with Pacific Peoples community leaders; (3) and a review of the relevant immigration and ethnic literature (A'avua, 2000; Apitzsch, 2004; Benson-Rea & Rawlinson, 2003; Dana & Dana, 2003; Douglas, 2001; Duncan et al., 1997; Dunstan et al., 2004; Elliott & Gray, 2000; Gough, 2006; Hiebert, 2003; Jennings, 1997; Mace et al., 2005; Min & Bozorgmehr, 2003; Poot, 1993; Salt, 1992; Statistics New Zealand, 2001a, 2001b, 2001c; Whybrow, 2005; Zodgekar, 1980). The case study evidence is presented in a format based on the structural outline of the immigrant entrepreneurship model (developed in Chapter Six) and utilises the four constructs: migration profile, settlement profile, cultural profile and business profile.

7.4.1 Migration

Homeland

Pacific immigrant entrepreneurs or the immigrant parents²² came from geographically dispersed Pacific Islands. Pacific immigrant entrepreneurs were predominantly from an Island or New Zealand lower-middle socio-economic background. Immigrant entrepreneurs or their immigrant parents left the Islands to seek better employment opportunities. Second generation (New Zealand-born) all began as employees and developed into entrepreneurs at a later stage. Pacific immigrant entrepreneurs generally came from large families with working class roots, had the highest level of mixed ethnicity parentage (i.e. second generation), were deeply religious, were well travelled, and had strong sports interests.

²² Refers to the immigrants parents of New Zealand-born IERs.

They originate from a Pacific People who: had a cultural tradition of Island migration, had strong family or community networks in New Zealand, were hard working, sought improved career and education opportunities, and took pride in migration (see Appendix 9.1.1).

Drivers

Having an established family network in New Zealand played an important role in many of the Pacific immigrant entrepreneurs' or their immigrant parents' decision to migrate. Because of the lack of opportunity in the Islands this decision to migrate was a fairly easy one (see Appendix 9.1.2). Pacific immigrant entrepreneurs or their immigrant parents generally had the perception that New Zealand would offer a better quality of life with respect to career and educational prospects. Homeland dissatisfaction was not raised as a significant issue, therefore, the pull factor of New Zealand opportunities was highlighted as the major driver.

Immigration

Pacific immigrant entrepreneurs or their immigrant parents arrived in New Zealand as citizens or quickly sought New Zealand residency (see Appendix 9.1.3). There was an even split between those migrating alone or as a family unit. They left the Islands with limited financial resources, but generally had some knowledge of New Zealand. Contrary to other groups in the full immigrant entrepreneurship study, Pacific immigrant entrepreneurs did not discuss having difficulties with New Zealand's immigration regime, which may be attributable to the special relationship between New Zealand and the Pacific Islands.

7.4.2 Settlement

New Zealand arrival and societal fit

The Pacific immigrant entrepreneurs or their migrant parents settled in New Zealand cities - predominantly in Auckland and Wellington suburban enclaves. In enclaves the Pacific community found strong family and community support for adjusting to a new way of life, but it did limit their broader employment and socialisation opportunities (see Appendix 9.2.1). Overall Pacific immigrant entrepreneurs in the case analysis were less inclined to live in enclaves than their general Pacific community counterparts. Some Pacific immigrant entrepreneurs or their immigrant parents were already New Zealand citizens prior to

migration, while second generation naturally had that right by birth. The Pacific immigrant entrepreneurs or the migrant parents had financial and language barriers to overcome, had some difficulty making the island-to-city adjustment, and experienced some employment inequity and discrimination. But all Pacific immigrant entrepreneurs had fully integrated into the New Zealand workforce prior to going into business.

Societal perspectives

Overall, Pacific People had difficulties with settlement in New Zealand with respect to language and social adjustment, but Pacific immigrant entrepreneurs felt that they lived in a good society with a mainly supportive infrastructure. They also felt that they brought a Pacific flavour to the New Zealand way of life through their culture, humour, humility, and spirituality (see Appendix 9.2.2).

Business integration

Pacific Peoples' entrepreneurial activity was predominantly among their second generation New Zealand-born, but was overall the lowest of the four groups in the full immigrant entrepreneurship study. This was a reflection of Pacific People's predisposition to employment, the need to build stronger foundations of business activity within the broader Pacific community, and a general lack of business knowledge and confidence (see Appendix 9.2.3).

7.4.3 Culture

Personal

Pacific immigrant entrepreneurs' values and beliefs were strongly influenced by their religious affiliations, emphasising the importance of church, family and community (see Appendix 9.3.1). They also displayed the lowest level of independence, as community obligations surpassed individual considerations. Successful Pacific immigrant entrepreneurs had strong internal locus of control, were goal setters, and were hard working. But overall this case analysis found that Pacific business people could lose business focus once they reached a certain level of success.

Family

Extended family obligation was taken very seriously by Pacific immigrant entrepreneurs. They emphasised the importance of family unity, and highlighted that family was central to Pacific Peoples' way of life (see Appendix 9.3.2). The case analysis identified a prevalence of both male and female Pacific immigrant entrepreneurs, and the findings concluded that the cultural elements of male line dominance were lessening. There was, never-the-less, some reflection by Pacific immigrant entrepreneurs on the predominance of fathers' heading the family and the need to respect parents. Pacific immigrant entrepreneurs also discussed the importance of the transfer of their parent's values, with respect to work ethic and culture. Pacific immigrant entrepreneurs' family involvement (including extended family) in businesses was very high. They viewed this involvement as having benefits (e.g. trust and loyalty) and drawbacks (e.g. drain on finances and resources), and consequently there was a need to balance family obligations against business expediency. Priority was given to children's education over family business activity, as there were mixed views on whether succession was the ideal outcome.

Ethnic community

Pacific immigrant entrepreneurs emphasised the importance of a strong community unity among Pacific Peoples, while still having a commitment to the unique Island identity of different islands (see Appendix 9.3.3). The case analysis often uncovered references to Pacific immigrant entrepreneurs' requirement to discharge their social obligation, and the level of social pressure driving this need. The case analysis identified an underlying belief that a strongly connected and unified community was critical to the Pacific People's economic and social development, and that Pacific immigrant entrepreneurs played an essential role in achieving this. Pacific immigrant entrepreneurs stated that respectfulness, creativity, and church affiliation were strong community characteristics. They also identified the Pacific People's casual attitudes, lack of business knowledge, low confidence, and pride getting in the way of asking for help, as weaknesses when engaging in business. Most Pacific immigrant entrepreneurs were New Zealand citizens but retained much of their historical homeland's cultural identity.

Homeland

Pacific immigrant entrepreneurs had strong personal connections to their homeland, and viewed this connection as an important link to extended family and Island economies. New

Zealand's geographic proximity to the Pacific Islands and the traditionally close relationship have ensured that Pacific People (including second generation) maintain their link back to the Islands. Few business connections were identified in the case analysis, although most Pacific immigrant entrepreneurs stated that they wished to have Island connections in the future, by replicating their current business or investing in Island businesses (see Appendix 9.3.4).

7.4.4 Business

Drivers

A personal need for autonomy and challenge came through strongly as business drivers, whereas financial considerations were often driven by collectivist (community obligation) needs. Many Pacific immigrant entrepreneurs were looking to gain a comfortable lifestyle for themselves and their family, while still discharging their social obligation. This at times presented difficulties in balancing personal, community, and business needs (see Appendix 9.4.1). There was little evidence of forced entrepreneurship, however, social obligation did influence the Pacific immigrant entrepreneurs' decision making. They also highlighted the importance of social networks and family to their entrepreneurial activity, as a source of emotional, labour and financial support. Generally they looked to seize niche market opportunities in their community.

Learning

Pacific immigrant entrepreneurs' formal education levels were higher than their general Pacific Peoples' population, but still the lowest of the four groups in the broader immigrant entrepreneurship study and lower than the general New Zealand population (see Appendix 9.4.2). They placed emphasis on practical experience and learning on the job, but maintained a conviction that education was important for achieving business success. Hence, many of them were also involved with post-business formal education. Pacific immigrant entrepreneurs generally used professional advice, although there was a Pacific community tendency to be too proud to ask for help. Parents were strong role models and Pacific immigrant entrepreneurs believed it was important for them to also act as role models for the whole Pacific community.

Finance

Pacific immigrant entrepreneurs understood the need to be organised with respect to their finances, however some reflected on the pressure that could be placed on Pacific Peoples' businesses with regard to discharging their social obligation (i.e. to family, extended family, church, and community). Capitalising their business start-ups created challenges, as Pacific immigrant entrepreneurs discussed the difficulties they had with obtaining funding from financial institutions. The raising of capital often had to occur in the context of personal or family money, or Pacific immigrant entrepreneurs started low capital ventures so borrowing wasn't an issue (see Appendix 9.4.3). Often they compensated for financial shortcomings through working long hours and utilising community networks, although as mentioned previously, discharging their community social obligation could also create financial burdens in itself.

Characteristics and philosophies

Pacific immigrant entrepreneurs' businesses were predominantly service orientated and many had a strong ethnic community focus, but little international activity (see Appendix 9.4.4). They started small and were focused on growth through strong relationships and customer orientation. Pacific immigrant entrepreneurs highlighted their belief in honesty, integrity and fairness, but again there was the constant consideration of balancing business practicalities with the resource drain of discharging their social obligations (see Appendix 9.4.5).

CHAPTER EIGHT

CONCLUSIONS AND IMPLICATIONS

The ability and desire to be entrepreneurial is evident among members of all ethnic immigrant groups in migrant receiving countries throughout the world. The issue, therefore, is not whether immigrants are entrepreneurial, but how this entrepreneurial behaviour presents itself. With that understanding, a receiving country can then focus on how the entrepreneurial process should be fostered to constantly add value to its infrastructure (i.e. economic growth, personal and community benefits, etc) and advance immigrant settlement. The difficulty in answering such a question as ‘how to promote entrepreneurial behaviour’ lies in the road being travelled differently by immigrants from dissimilar backgrounds, value systems, and cultural heritages. Migration, settlement, culture and business issues present themselves in a multitude of different forms, depending on the combination of the ethnic characteristics of the immigrants involved and the receiving country’s socio-economic infrastructure. In an attempt to bring new understanding to this complex phenomenon, this study developed a model that explains the multi-dimensional nature of the immigrant entrepreneurship process. Such a model needed to be open-ended and flexible enough for the study of immigrant entrepreneurship internationally, as immigrant entrepreneurship is a global phenomenon. To this end, this study concludes that this objective was achieved through the development of the normative *model of immigrant entrepreneurship* as described in Chapter Six. This final chapter brings the study to a close by drawing conclusions from the model’s development, framework, and application, and by showing how it sheds light on the complexities of the immigrant entrepreneurship phenomenon. This chapter also discusses the conclusions and implications of the findings from the specific case studies of immigrant entrepreneurship in New Zealand, as portrayed through the actions and perspectives of the four ethnic groups under study: the immigrant entrepreneurs from the communities of the Chinese, Dutch, Indian, and Pacific Peoples.

8.1 The Immigrant Entrepreneurship Model

By undertaking the grounded theory study, a model of immigrant entrepreneurship emerged consisting of four constructs: migration profile, settlement profile, cultural profile, and business profile. Each of the constructs contains concepts, categories and properties which

represent the governing themes of this study and are at the heart of the model's development (Figure 15). The model is presented in an entrepreneurial process configuration, which integrates chronological imperatives, entrepreneurial characteristics, cultural factors, and external environmental factors into the development of each construct, therefore, establishing a multi-dimension profile of immigrant entrepreneurship. This section discusses this study's major conclusions related to that development.

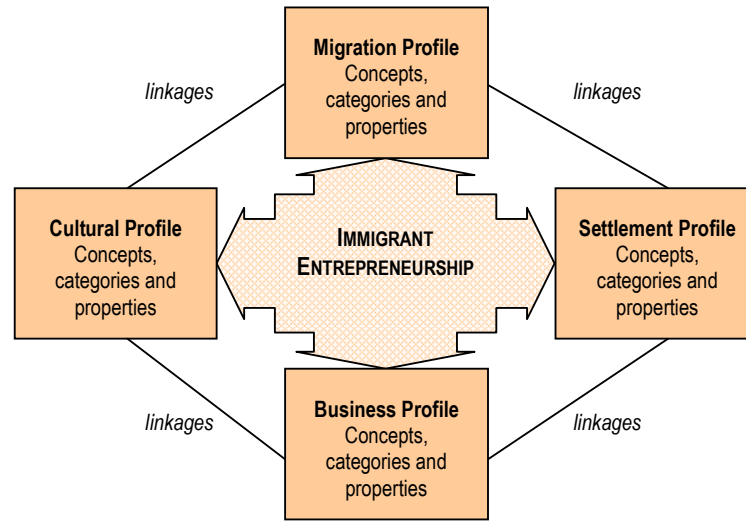


Figure 15: Constructs in the Model of Immigrant Entrepreneurship

8.1.1 Linking of Themes within Constructs

Within the model of immigrant entrepreneurship's framework, strong patterns were formed - called data strands - which built an identifiable profile of immigrant entrepreneurship. The objective of the model, however, is not to consider each concept (within a construct) in isolation, or to apply each concept prescriptively to all immigrant entrepreneurs. The model is developed to allow researchers to link different aspects of immigrant behaviour throughout the entrepreneurial process and highlight the commonalities and variances within different ethnic groups and/or receiving countries.

For example, the evidence of a strong personal work ethic amongst immigrant entrepreneurs, in isolation, offers little or no new knowledge. To simply say that it is typical of immigrants to be hard working because of the nature of the 'migrant type' belies the fact

that there are also immigrants who do not wish to work hard or work long hours, and there are others who prefer to take the full benefit of the receiving country's welfare system. Therefore, it is only when work ethic is linked to such varying factors as homeland family patterns, personal characteristics, social obligation, culture and religious values, business drivers and integration barriers, that it can be better understood in the context of commonalities and differences in immigrants' entrepreneurial behaviour (Figure 16).

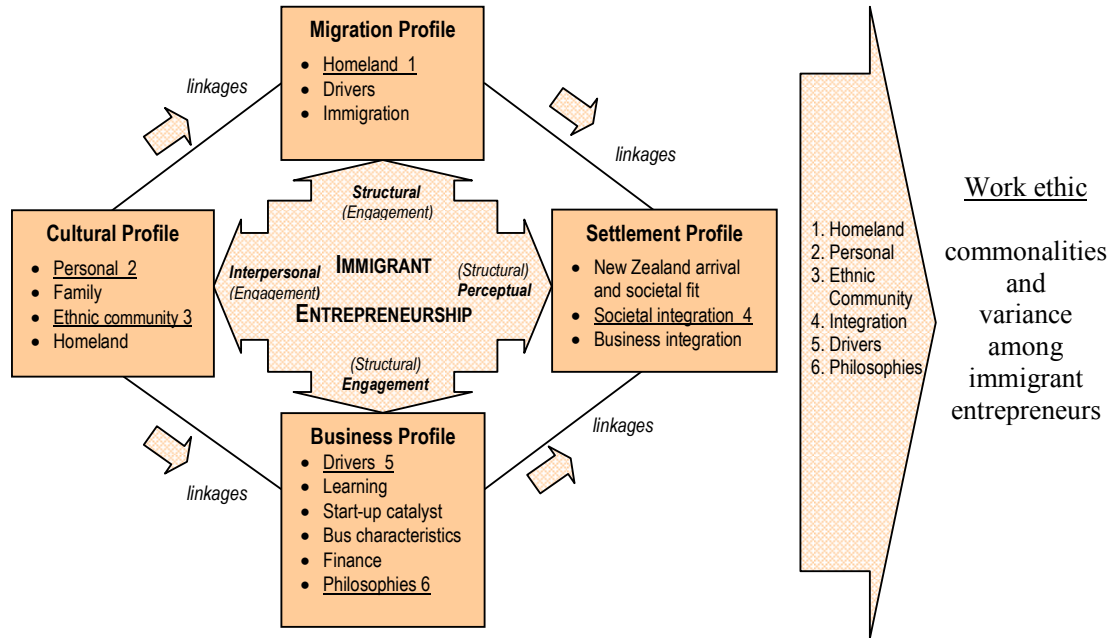


Figure 16: Integration of Work Ethic Factors into the Model of Immigrant Entrepreneurship

Based on the linkages within the four constructs, the case analysis stage of this study was therefore able to explain the different drivers of the 'work ethic' theme within the four groups being studied. For example, determinants of behaviour were as follows:

- Chinese immigrant entrepreneurs' work ethic was influenced by: parental value transfer (hard working parents), homeland cultural values, economic disadvantage, and a desire for acceptance.
- Dutch immigrant entrepreneurs' work ethic was influenced by: parental value transfer (hard working parents), an achievement orientation, religious values (i.e. serving God through work), and status.
- Indian immigrant entrepreneurs' work ethic was influenced by: spiritual values of simplicity and hard work, economic disadvantage, and a desire for social advancement.

- Pacific immigrant entrepreneurs' work ethic was influenced by: role models, economic disadvantage, and a need to fulfil their social obligation to their community.

8.1.2 Adaptation Matrix

The theoretical development of the model of immigrant entrepreneurship identified that entrepreneurial behaviours, as recorded in the model's properties, are a consequence of two factors:

- Structural factors: the nation's infrastructural determinants such as new market possibilities, regulatory systems, technological trends, social norms and attitudes, societal infrastructure, etc.
- Interpersonal factors: the immigrant entrepreneur's social determinants such as family, cultural framing, personal values, language, experiences, etc.

The model concluded that immigrant entrepreneurs' manage these two factors through either: (1) engagement - that is, their structural or interpersonal actions and activities, or (2) perceptual positioning - which is, rightly or wrongly holding a particular view about structural or interpersonal issues.

This multi-dimensional interpretation of the immigrant entrepreneurship model's properties (Figure 16) can be expressed in a matrix pattern (see Chapter Six), which was titled the adaptation matrix. The main benefit of the matrix is that it adds a further dimension to the understanding of behavioural patterns of immigrant entrepreneurs on their interactions with society. It also goes some way to explaining the varying actions and sensitivities of immigrant entrepreneurs. As Kontos confirms:

“We regard entrepreneurship as a phenomenon embedded not only in social relations and networks but in biographical processes as well. The move toward self-employment is thought of as a process that is interrelated with other biographical processes, extending far back in the individual's biography and touching upon many aspects of identity and the development of the self” (2003, p. 123).

Therefore, the addition of the adaptation matrix adds to the model's fluidity in reflecting the actions, real-world views, and psychological dynamics of the immigrant entrepreneurs.

8.1.3 Additional Layers of Investigation within Concepts

Ultimately this study developed a model of immigrant entrepreneurship that, through the interpretation of the four linked constructs and the application of the matrix variables, can answer some fundamental questions about this phenomenon. To this end, the model presented in this thesis consists of five levels - or layers - from the broad constructs and concepts (as described in Figure 16) through to deeper levels called categories, sub-categories, and finally the properties – which contain the coded data and are classified by the matrix variables. A further significant feature of the model’s development was the identification of numerous properties in deeper layers. These layers, within each of the four constructs, have generated new questions that deserve future investigation. For example in returning to the premise of ‘work ethic,’ Chapter Five referred to this category in the cultural construct and was supported by the property of ‘long hours’ worked by immigrant entrepreneurs. Chapter Five inferred that the ‘long hours’ property was saturated, but posed an interesting new layer of interpretation – how does society and how do the immigrant entrepreneurs interpret what constitutes long hours? The study had, in fact, uncovered the need for deeper layers of understanding of the property ‘long hours,’ which involved exploring the implications of social norms, personal characteristics and cultural values as to what constitutes long hours. Similarly another deeper layer was uncovered in the category of ‘work ethic’ as to the issue of what constitutes *working hours* in the property ‘long hours.’ This is problematic because societal, personal and cultural values blur the line between what is considered work or non-work related behaviours. The overall inference of these examples is that layers may produce deeper layers, requiring more investigation (Figure 17), and expanding the fundamental properties underpinning the model of immigrant entrepreneurship. Therefore, this study delivers a model of immigrant entrepreneurship that offers guidance as to what constitutes immigrant entrepreneurship behaviours, but also delivers a conduit for directing further avenues of research.

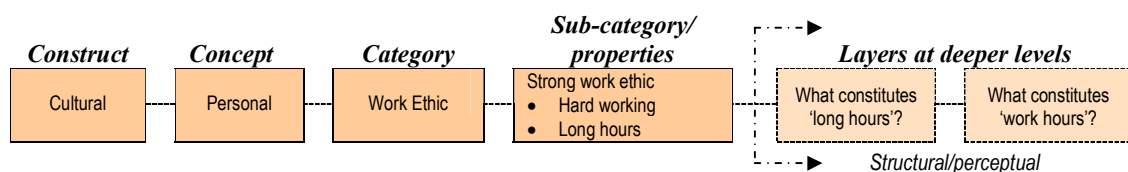


Figure 17: Example of Deeper Layers within a Data Strand

8.1.4 Implications

International significance

This study contends that, through the application of a grounded theory methodology, the research led to the discovery of a normative *model of immigrant entrepreneurship*. This model displays flexibility and adaptability in interpreting and understanding immigrant entrepreneurship - as it impacts on different ethnic groups in varying environmental contexts (i.e. different receiving countries). Irrespective of this research being undertaken in the New Zealand context, the purpose of this study was to develop a model which had both local and international relevance. The research methodology's inductive construct development (as outlined in Chapter Six) composed an immigrant entrepreneurship model which took into account globally transferable factors of the immigrant entrepreneurs' migration, settlement, culture, and business behaviours. This study, therefore, claims that the model has greater application to the broader international analysis of immigrant entrepreneurship than is currently offered in the literature. That is, the model has international implications as a framework for understanding and interpreting the global phenomenon of immigrant entrepreneurship. It delivers a template for data collection from immigrant entrepreneurs through semi-structured interviews (see Appendix 5) and a structure for interpreting that data (see the expanded model of immigrant entrepreneurship in Table 4 of Chapter Six). This data can then be triangulated – as described in the methodology chapter, and written up as specific ethnic case studies for the receiving country in which the study was undertaken. The broader application of the model would not only enable the observation of different ethnic groups within a particular receiving country, but will also allow the comparison of immigrant entrepreneurship behaviours between different receiving countries.

Matrix interpretation

The application of the model of immigrant entrepreneurship suggests that in interpreting the entrepreneurial process, the adaptation matrix factors have three main implications:

- The model identified that the structural environment holds similar weight to the interpersonal environment. Therefore any policy making within receiving countries, which is targeted at promoting immigrant entrepreneurial activity, needs a balance between what can be done to enhance the infrastructure of the host country and the establishment of an appropriate immigrant admittance profile.

- The model identified that engagement was far more prominent than perception as a facilitator of entrepreneurial activities. Therefore, promoting interaction with immigrants in receiving countries is more important than attempting to, at arms length, manage or change immigrants' perceptions.
- The actions and activities of immigrant entrepreneurs dominated their perceptions in entrepreneurial behaviour. This infers that they are proactive (doers) as opposed to being introspective or contemplative. However, they were generally 'considered' people as represented by their perceptual rating of 27.2% and such insights as *"I think also that regardless of what you believe in, that there is still something you need to stop some times and saying thank you - for all the things that actually happen,"* but they are first and foremost action oriented as expressed by *"I came to a cross road to say well should I do this or can I do that? And I suppose I chose the path where I said - yeah I think I can do this,"* and *"Take what you have and then you've just got to run with the best you've got."* Therefore, any promotion of entrepreneurial activity by receiving country agencies should reflect an action orientation.

Variances and commonalities

The multi-dimensional nature of the model of immigrant entrepreneurship was necessitated by the multitude of factors influencing entrepreneurial behaviours. This study contends that some entrepreneurial behaviours were ubiquitous, others varied by degree between ethnic groups, and still others were group specific. How these factors manifested themselves within the four different ethnic groups in this New Zealand study is dealt with in the next section.

8.2 Immigrant Entrepreneurship in New Zealand

The normative model of immigrant entrepreneurship became the framework for the development of the final stage of this study - the specific ethnic case studies. Each case was established through a case study methodology, which called for data triangulation where three sets of data were compared and synthesised. These data sets were: the immigrant entrepreneurs' interview data from the grounded theory study for each specific ethnic group (Chinese, Dutch, Indian or Pacific Peoples); the data from eight recorded interviews with ethnic business and community leaders - two from each of the four ethnic groups; and the

existing immigration and ethnic literature on each specific group. The triangulated raw data was structured using the model of immigrant entrepreneurship framework (see Table 4 in Chapter Six), tabulated for comparison and interpretation purposes, and written into specific ethnic case studies (Chapter Seven). This section discusses the major findings of this final stage of this study, as they relate to the commonalities and variance in ethnic immigrant entrepreneurship between the four groups under study.

8.2.1 Migration: Immigrant Diversity

Different eras

All immigrant entrepreneurs within the four groups under study had differing migration histories, however, there was a commonality between the migration of the Chinese, Dutch and Indian groups in that migration fell into two distinct eras. These match most closely to a pre-1990 (classified as ‘established’ immigrants) and a post-1990 (classified as ‘new’ immigrants) eras. The *raison d’être* behind the eras is best explained by the change in New Zealand immigration policy of the early 1990s - which saw a conscious intention to improve the inflow of both skills and capital, while still targeting once-in-a-lifetime migration and settlement in New Zealand (Fletcher, 1999). The eras are also closely aligned to: the opening up of China in the late 1980s and the restoration of Hong Kong to Chinese sovereignty in the 1990s, the economic renaissance of India which began in the 1990s, and the Dutch Government’s 1993 denouncement of the post-WW2 migration treaty with New Zealand. The implication for New Zealand was a change in the character of immigration in this country. The impact of these changes on immigrant entrepreneurship patterns is still not fully understood, but there are clearly identifiable demarcations. These are summarised as follows:

- There was a change of immigrant entrepreneurs from a blue collar skilled/unskilled labour force pre-1990, to a skilled/professional immigrant post-1990.
- There was a change from immigrant entrepreneurs arriving with minimal financial resources pre-1990, to a financially secure immigrant entrepreneur post-1990.
- Formal education levels on arrival were significantly lower for pre-1990 immigrant entrepreneurs than post-1990 immigrant entrepreneurs.
- The drivers for migration pre-1990 were most commonly push-factors, i.e. leaving an unsatisfactory homeland situation. While post-1990 drivers were predominantly pull-

factors, i.e. the perception that New Zealand would offer a better quality of life for themselves or their children (e.g. career, education and natural environment).

- Knowledge of New Zealand was generally higher among post-1990 immigrant entrepreneurs, as many had visited prior to migrating.
- Demographic differences between eras were evident in some groups. For example, the established Chinese immigrant entrepreneurs were generally descendents of immigrant parents from the rural Canton district, and they spoke fluent English as their first language and Cantonese as a second language. On the other hand, the new Chinese immigrant entrepreneurs were predominantly from Central China, Northern China and Hong Kong, were city people, and their first language was Mandarin.

This study also identified that many immigrant entrepreneurs also fell into a third category which in many cases overlapped the previous two categories. That was, New Zealand-born immigrant entrepreneurs who were first offspring of immigrant parents. The Pacific People, whose migration patterns do not ideally fit the established or new eras, did fit into specific Island-born and New Zealand-born immigrant entrepreneurs. This study identified that New Zealand-born Pacific Peoples were more prevalent in entrepreneurial activities than their Island-born counterparts.

Intra-group differences

This study identified that beyond the era profiling of immigrant entrepreneurs, there were often strong intra-group differences within eras. This was inferred by immigrant entrepreneurs' discussion of their dispersed geographic homeland origins, and the impact this had on culture, language and value systems. Within the four selected groups the following intra-group variances were identified.

- Indian and Chinese immigrant entrepreneurs reported differences between states/provinces with respect to religion, customs, value systems and language.
- Pacific immigrant entrepreneurs originating from different Islands identified a high level of parochialism, and emphasised the need to retain their own unique language and customs.
- The Dutch immigrant entrepreneurs, although from a geographically small country, reflected on distinctions between city and country people, and provincial differences.

- Most immigrant entrepreneurs identified with strong provincial/state allegiances within their broader ethnic classifications.

It is, therefore, ill advised to impose on any of the four groups a ‘one-size-fits-all’ generic profile. In fact, any attempt to do so may be a phenomenon of a host country’s lack of understanding of their immigrant minorities, whereas, countries that strive to embrace their immigrant diversity will go some way to developing a more cohesive society and an adaptive business infrastructure.

Migration drivers

Many immigrant entrepreneurs identified New Zealand’s quality of life, in its various forms (e.g. quality of the education system, better employment opportunities, wealth, clean and green natural environment, personal freedom, etc.), as the major factor that contributed to their original decision to migrate. Therefore, the immigrant entrepreneurs were conscious of taking advantage of what New Zealand had to offer beyond pure material gain (i.e. financial wealth). The theme of ‘quality of life’ was consistently displayed throughout the data collection and analysis, the literature review, and the ethnic leaders’ commentaries. As identified in the earlier era section, this could be either a push factor of removing themselves from a poor homeland situation, or a pull factor of the attractiveness of New Zealand. As a consequence, for many of the immigrant entrepreneurs the propensity for hard work and working long hours was very strong whilst they were trying to reach a level of financial security and independence in New Zealand. But this motivation often changed when they reached what they considered to be a satisfactory level of security, and the intrinsic aspects of quality of life (e.g. enjoying a lifestyle, indulging in personal interests, etc.) often took precedence over the exercise of acquiring further material wealth. This would suggest that New Zealand is not attracting, fostering or retaining the aggressively materialistic entrepreneurial business immigrant, but rather a more lifestyle oriented immigrant entrepreneur.

Implications

It is difficult and often inappropriate to classify specific immigrant ethnic groups as homogenous. Although there may be many generic intra-group norms, values and beliefs, these are not uniformly held as they vary with respect to the era of migration and the spatial dispersion of migration origins. Despite the desire to create a better understanding of

immigrant behaviours through simplifying ethnic classifications, receiving countries must be careful of stereotyping and predicting behaviours simply on broad ethnic categorisations. A much more complex model for understanding immigrant diversity must be applied to facilitate settlement and stimulate entrepreneurial behaviours.

8.2.2 Settlement

Integration

The way in which settlement was undertaken varied significantly between the four groups under study, with regard to their community's assimilation or adaptation to the New Zealand environment. The immigrant and ethnic literature suggested that there is a philosophical shift from assimilation to multiculturalism and adaptation, as a suitable means of managing integration (e.g. Fletcher, 1999). The latter allows for the preservation of important cultural and language values. These values are considered by many commentators as vital to the retention of personal identity and self-esteem within migrant groups, and they also support the objective of gaining immigrants' long-term commitment to settlement in the receiving country. Within the New Zealand context, variance in the manner in which settlement was undertaken was observed.

- The Dutch immigrant entrepreneurs were strongly in the assimilation mode (i.e. absorbed into and adjusting to the characteristics and persona of the receiving country). Over the past 60 years the Dutch community had migrated to New Zealand and integrated by blending into society beyond their simple physical similarity to New Zealand European/Pakeha. Many mentally disconnected from their Dutch roots with regard to language and ethnic community connection. By the second generation, New Zealand-born Dutch had often lost their language, traditions and homeland connection. This was reflected in the Dutch immigrant entrepreneurs' behaviours, which apart from some of the Dutch traits, such as work ethic and forthrightness, operate seamlessly in the Pakeha business world. Often they had forsaken much of their unique Dutch identity as they strived to be successful 'Kiwis' in the New Zealand business environment. Even those operating in the Dutch food industry appear to be niche marketers as opposed to solely ethnic businesses.
- The Chinese, Indian and Pacific immigrant entrepreneurs were, to a lesser or greater degree, in the adaptation mode (i.e. integrating and committing to the host community,

while retaining much of their own ethnic persona and characteristics). All three groups retained strong connection to their native languages. The Chinese and Indian communities maintained strong traditions of marriage within their communities. For example, several Indian immigrant entrepreneurs spoke of having arranged marriages with members of their homeland community in India. The case analyses also highlighted that the physical distinctiveness of these groups made assimilation difficult in a country such as New Zealand, which holds to strong colonial traditions and still retains pockets of xenophobic attitudes toward integration. The immigrant entrepreneurs purporting to adaptation mode of settlement, where they retained their own culture and traditions, brought their own unique identity to the New Zealand business environment and created networks across cultural boundaries. They sought to establish New Zealand (as opposed to ethnic) markets, and in some cases used their ethnic links to establish international markets.

The case analysis and literature review highlighted a global challenge for receiving countries. If settlement is ineffectively managed it raises the risk of receiving countries establishing insular enclaves, which then manifest themselves through separatism, discrimination and development of urban ethnic ghettos. There were significant variations in the level of enclaving in New Zealand. For example, the Indian community appeared to be strongly integrated with respect to adapting to New Zealand society and were dispersed through the host community. This translated into Indian immigrant entrepreneurs having a national business focus and strong business networks beyond their immediate community. The Pacific Peoples, on the other hand, have established strong enclaves in South Auckland and Lower Hutt which reinforced a strong sense of Pacific community and retention of their 'Pacific-ness.' The enclaves, however, hindered integration into the broader New Zealand society and have promoted various social and equity problems. The Pacific immigrant entrepreneurs' sense of community connection and obligation did however reflect a strong bonding within their institutions (e.g. church), a cultural influence on business activity, and the bringing of a Pacific-ness to the New Zealand business brand. But this strong community focus could also restrict the development of Pacific immigrant entrepreneurs' broader business networks and markets.

Implications

Due to the small size of its ethnic minorities, New Zealand is well positioned to prevent the proliferation of ethnic enclaves, while still retaining the intrinsic values of immigrants' ethnic cultures. This can be achieved only if Government policy and community education is targeted at establishing an inclusive rather than assimilated society. New Zealand society should not be encouraged to establish enclaves in city suburbs, rather infrastructure and social systems should encourage acceptance of a cultural mix. For example, this study identified Mt Roskell in Auckland as the most ethnically diverse in New Zealand, and representative of what ideally New Zealand society should embrace. As immigrant entrepreneurship in New Zealand operates in the more inclusive environment than general society (i.e. most ethnic run businesses need to operate in national markets and networks to survive), the immigrant entrepreneurs can also take a leading role in New Zealand's societal evolution. Rather than this being a purely idealistic position, this is a relatively pragmatic one because effective business practices and competitive advantage transcend cultural differences. Therefore, immigrant entrepreneurs and their businesses can be partners with the community and government agencies in enacting social change.

8.2.3 Culture: Characteristics of Immigrant Entrepreneurs

The full study of immigrant entrepreneurship uncovered entrepreneurial characteristics throughout the development of the model. Many of these characteristics varied significantly between the ethnic groups. The most prominent of these were the migrant factor, independence versus interdependence, faith and spirituality, language skills, national identity, and competitive advantage. These are discussed below in the context of the commonalities and variances between the four groups under study.

The migrant factor

During this study *internal locus of control* emerged as an important factor in entrepreneurial behaviour. This has often been associated with the 'migrant factor,' in that immigrants who are willing to leave their homeland also possess a sense of responsibility for their own destiny and a strong individualistic attitude (e.g. Whybrow, 2005). Whether internal locus of control has a clear relationship to the migrant factor is debatable. In this study only a small number of immigrants were identified as entrepreneurial (Statistics New

Zealand, 2001a), and this study also identified a strong internal locus of control among second generation New Zealand-born immigrant entrepreneurs, who are not directly associated with the migrant factor.

In a similar fashion to locus of control, it has been suggested that the motivation and determination to start a new life in a new country influences the propensity for *hard work* among immigrants. This position supports a relationship between *work ethic* and the ‘migration factor.’ The study of immigrant entrepreneurship, however, identified that cultural and family factors should not be underestimated as drivers of work ethic (see also Section 7.1.1). For example, the second generation New Zealand-born immigrant entrepreneurs did not have the ‘migration factor’ as a justification for their work ethic. In their case other factors contributed, such as second generation immigrant entrepreneurs stating that there was a strong family influence in their development of a sound work ethic, or a need to overcome some form of disadvantage. Furthermore, within three of the four immigrant entrepreneur groups, a culturally based work ethic was identified as an important influencing factor.

Independence versus interdependence

A complementary characteristic to internal locus of control was a strong independence. This was epitomised by the Dutch ‘I’ll do it my way’ mindset. The Dutch immigrant entrepreneurs had a trust in their own personal capability, which had driven much of their success in New Zealand. Yet this strong individualism has caused some Dutch immigrant entrepreneurs to operate in an insular manner, as opposed to taking full advantage of broader business and community networks. It had also created tension as they were often referred to by New Zealanders as stubborn and too direct. To this end, this study identified examples of Dutch immigrant entrepreneurs’ experiencing conflict with their peers. In contrast, the Pacific People’s collectivist culture embraces a strong interdependence within their ethnic community, which offered the advantages of social networks, community support, community markets, and strong extended family connections. These are forms of *ethnic social capital*²³ that the Pacific immigrant entrepreneurs had access to in transacting their business activities. But as with independence, interdependence has its drawbacks. Pacific People exacted pressure on their entrepreneurs to fulfil a high level of social

²³ See also Section 7.2.4

obligation. Examples include obligations to employ their extended family and ethnic community members, financially support community institutions (e.g. church) or individuals, and take new immigrants into their homes. Such activities can be very protracted and taxing on the immigrant entrepreneurs' time and financial resources that otherwise could be directed to their entrepreneurial activities. Hence there are risks with social obligation having an adverse impact on new or growing businesses.

Faith and spirituality

Faith and/or spirituality played important roles in the lives of immigrant entrepreneurs in this study. There were significant variances between ethnic groups with respect to their belief systems and its level of application to life in general. For example, the Chinese immigrant entrepreneurs made the least mention of the impact of religion on their lives, while Pacific immigrant entrepreneurs all highlighted the significance of their faith. Furthermore, how faith and spirituality translated into entrepreneurial activity varied significantly, as indicated by the following examples.

- The Dutch immigrant entrepreneurs commented on the 'service through hard work' perspective of faith, and the need to be thankful for what life has provided.
- The Pacific immigrant entrepreneurs focused on the relationship aspect of their connection with God, and their need to express that relationship through a strong connection to family and community.
- The Indian immigrant entrepreneurs tended to view spirituality as an all encompassing natural extension of their complete existence, which encapsulated the values of simplicity (of life) and working hard. Therefore they were less inclined to emphasise its impact on their businesses, as they felt it was naturally interconnected.

Language skills

Many of the immigrant entrepreneurs expressed the view that New Zealand was a country that currently embraced biculturalism (i.e. English and Maori), but which was critical of those who could not effectively conform to those language norms. The literature also confirmed that language is often a barrier to employment and societal integration in New Zealand (Fletcher, 1999; North & Trlin, 2004). In giving credence to these findings, this study accepted that New Zealand's national languages are important to 'who we are' as a nation and they create commonality which is crucial to a cohesive society. Furthermore, the

international nature of the English language reinforces its importance to this country in the global marketplace. However, a broader range of language skills are useful to a country such as New Zealand which relies on international trade for its economic wellbeing. English's almost exclusive status in this country's society does restrict its ability to expand our trading networks. Generally immigrant entrepreneurs who migrated to New Zealand (or were raised in New Zealand) had a range of language skills. Around two-thirds of immigrant entrepreneurs in this study could speak more than one language well. Establishing trading networks is an area where immigrants, especially immigrant entrepreneurs, can add significant value to New Zealand society. Within this study, Chinese, Indian and Pacific businesses were open to broadening their business networking internationally, and to taking advantage of their multiple language skills.

In contrast, for second generation immigrant entrepreneurs, language was not a major issue and English was, in all cases, their first language. But for them the ancestral homeland networks were not as well established, and therefore offered limited business connection. Overall, there was considerable variability within the four groups with regard to second generation engagement with their ancestral homeland.

- Dutch second generation immigrant entrepreneurs (as well as some first generation) had minimal contact with their ancestral homeland.
- Most of Chinese second generation immigrant entrepreneurs had lost contact with their ancestral homeland, but did have expectations of establishing networks in the future.
- There were few Indian second generation immigrant entrepreneurs in this study, but those studied did have strong connection to their ancestral homeland, for example, one had an arranged marriage to partner from India.
- Pacific second generation immigrant entrepreneurs generally have very strong connections to their ancestral Islands.

National identity

The links between nationality and identity were not uniform across the four ethnic groups in this study, as explained through the following examples.

- Not all Dutch immigrant entrepreneurs had acquired New Zealand nationality, yet full integration had occurred, and many had assimilated by shedding their distinctive ethnic identity.

- Chinese and Indian immigrant entrepreneurs had predominantly acquired New Zealand nationality and adaptation had occurred in many areas, but assimilation into New Zealand society had not occurred, as they had maintained their distinctive community identity whilst settling into the New Zealand environment.
- Pacific immigrant entrepreneurs were predominantly New Zealand-born and hence had nationality of right. Similarly, migrants from the Cook Islands and Nuie had New Zealand citizenship as a birthright. However, there was a family and community (as well as personal) expectation that they retained much of their ancestral homeland identity.

Competitive advantage

The way in which immigrant entrepreneurs' cultural traits manifested themselves in entrepreneurial capabilities varied considerable between ethnic groups. The propensity to be hard working and have family unity (as already identified) came through consistently, and reflects other studies (e.g. Elliot & Gray, 2000; Fletcher, 1999). From the perspective of the four different ethnic groups in this study, however, the perception of what specific trait(s) gave them the highest level of competitive advantage uncovered significant variances.

- The Dutch and Chinese immigrant entrepreneurs prided themselves on success through hard work.
- The Indian immigrant entrepreneurs focused on the ability to be flexible and adaptable in the type of work they would undertake as a major source of their success.
- The Pacific immigrant entrepreneurs identified their community networks as a major source of success.

Implications

This study suggests that although there are common themes among immigrant entrepreneurs of different ethnic backgrounds, it should also be understood that the ethnic groups utilise different structural and interpersonal characteristics to advance their entrepreneurial propensity in varied ways. The following characteristics are highlighted as having implications for entrepreneurial activity, for both New Zealand and the ethnic communities involved.

- What was evident was that both *internal locus of control* and *work ethic* were prominent in all immigrant entrepreneurs. However, to simply consider these traits as a product of the ‘migrant factor’ would be an over-simplification of immigrant entrepreneurship determinants. Factors such as family history, culture, personal orientation and infrastructure are greater determinants of work ethic and internal locus of control, and these traits vary between ethnic communities. Never-the-less, *internal locus of control* and *work ethic* were important to entrepreneurial success and, therefore, it can be inferred that the higher the levels of these traits in specific ethnic communities, the greater the propensity for entrepreneurial activity among them.
- Immigrant entrepreneurs from different ethnic groups in this study displayed varying levels of interdependence and independence. Both characteristics had benefits and drawbacks to entrepreneurial activity. Therefore, it is not a question of promoting one over the other in the facilitation of entrepreneurship, but more a matter of effectively understanding and managing the ethnic groups’ propensity to one or the other, in the context of their settlement and entrepreneurial development.
- Faith and spirituality meant different things to immigrant entrepreneurs from different ethnic communities. Therefore, there is a societal need for greater tolerance and acceptance of varying belief systems, as all immigrant entrepreneurs strived to achieve purposeful lives in their businesses and communities.
- Bilingual or multilingual capability can be an important asset to New Zealand for trading in the global economy. Unfortunately the view held by immigrant entrepreneurs is that this capability is underrated as an asset in New Zealand. Consequentiality this country needs to consider a shift in societal values to embrace multi-lingual members of society, rather than the current bicultural position (i.e. English and Maori) which is judgemental of those who cannot effectively conform to those language norms.
- Naturalisation does not directly relate to national identity. This study concluded that naturalisation appears to relate more to the practicalities of immigration rather than reflecting any shift in identity by immigrant entrepreneurs.
- The cultural traits that make immigrant entrepreneurs succeed vary between ethnic groups. They all bring their own culturally based strengths which manifest themselves in different business capacities. Again it is important for society to not generalise about immigrant entrepreneurial behaviour, but understand the specific entrepreneurial strengths within their different immigrant communities.

8.2.4 Culture: Ethnic Links

Ethnic social capital

Social capital can be considered an essential component of an ethnic entrepreneur's competitiveness (e.g. Menzies et al., 2003). Ethnic social capital refers to the potential advantage that can be gained from belonging to and deriving benefits from a specific ethnic group. Benefits of ethnic social capital include having access to ethnic employees, ethnic markets, community resources such as capital, peer advice, and a sense of belonging. The immigrant entrepreneurship study identified the following ethnic social capital attributes within the immigrant entrepreneurs' ethnic communities.

- The family component was evident amongst all immigrant entrepreneurs in this study. However, ethnic social capital with respect to the extended family or immigrant entrepreneurs' engagement with the broader ethnic community varied significantly between the ethnic groups studied. For example, extended family was very prominent within the Pacific Peoples case analyses but negligible in the Dutch case analysis.
- Often the major distinction between ethnic businesses and those run by nationals is that immigrant entrepreneurs had some form of family member or ethnic community involvement in their businesses. Paid and unpaid family labour was heavily relied upon as part of the immigrant entrepreneurs' workforce, of which the spouse was the most prominent family member. The spousal involvement had practical and often complementary benefits. Secondly there was the indirect 'spouse factor,' which was the fact that a good marriage provided a suitable platform for entrepreneurial activity and home life.
- For new immigrant entrepreneurs, ethnic social capital was perhaps not as well established as ethnic minorities who may have longer histories in the receiving country, or for those immigrant entrepreneurs who remain in long established enclaves.
- Because of New Zealand's small size and relative isolation, ethnic minority communities are small in comparison to European and Northern American receiving countries. Therefore, any effect of ethnic social capital is diminished by the sheer lack of numbers in this country.
- The relationship between ethnic social capital and competitive advantage was not consistent within the full immigrant entrepreneurship study. For example, the Dutch immigrant entrepreneurs were very successful in business (based on percentage of self-

employed and average income) but were highly independent, had low community density, and were dispersed throughout New Zealand - hence diffusing the ethnic social capital effect. On the other hand, Pacific immigrant entrepreneurs tended to live in identifiable clusters in Auckland and Wellington - which suggest the potential for high ethnic social capital, but were outperformed in business by the other ethnic groups in this study. This is not suggesting that ethnic social capital is irrelevant, but certainly its relationship to increasing business performance does not correlate with the ethnic enclaving in New Zealand, and therefore ethnic social capital is only one piece of the puzzle in identifying entrepreneurial propensity.

Community infrastructure

The call for ethnic groups in New Zealand to be more proactive in supporting their own immigrant entrepreneurs (e.g. North & Trlin, 2004) raises complex and challenging issues. There is evidence of ethnic-based support networks already operating in New Zealand, for example:

- Pacific People networks such as The Pacific Island Business Trust and Church affiliations.
- Indian networks such as the New Zealand Indian Association, and media such as the Indian Newslink.
- Dutch networks such as the Netherlands Society and The Netherlands New Zealand Business Association.
- Chinese Networks such as the New Zealand Chinese Association and media such as iBall.

However, as identified earlier in this chapter, within the ethnic communities under study there is no strong sense of unity on which to build solid support for community networks.

Three limiting factors identified in this study were:

- Ethnic communities frequently consist of sub-groups (see eras in Section 7.2.1).
- The level of connectedness varies within ethnic groups (see intra-groups differences in Section 7.2.1).
- Size is also limiting in that New Zealand does not have the large ethnic markets of countries in Europe or the Americas. Therefore immigrant entrepreneurs in New Zealand tend to focus on the broader New Zealand market as opposed to supplying only their ethnic community, which then diminishes the relevance of ethnic support groups.

Implications

In this study, immigrant entrepreneurs' business successes were identified as often being converted into social responsiveness within their ethnic community. This was most commonly displayed through employment of their own community members, societal participation and leadership, facilitating support networks, and role modelling. Therefore, there is a vested interest in ethnic communities promoting their own entrepreneurial propensity. But they must also ensure that immigrant entrepreneurs' social responsiveness is maintained, because there is a risk of it losing momentum in the face of commercial demands, lack of unity within communities, and the small size of minority ethnic groups in New Zealand. Immigrant entrepreneurs themselves must also be proactive in this area of retaining community connections, for reasons of social capital and intimacy (i.e. easy-to-reach neighbours, solid family life, community networks, and a sense of belonging). For example, immigrant entrepreneurs in this study had indicated a need for interpersonal relations in dealing with stress and business challenges. Therefore, the two way interchange between immigrant entrepreneurs and their community has benefits for all involved.

8.2.5 Business

Learning

Anecdotal tales depicting immigrant entrepreneurs as under-resourced and uneducated individuals, who through sheer hard work and natural skill became successful, were not borne out by this study. The research highlighted the importance of learning with respect to formal education, as well as industry and societal knowledge. Immigrant entrepreneurs' identified the importance of the practical experience gained from an employment history, as the majority went into entrepreneurial activity in the sector of their previous employment. Immigrant entrepreneurs affirmed the importance of business experience, as overwhelmingly they saw 'learning by doing' as a vital ingredient to business success. This did not preclude the relevance of academic learning to immigrant entrepreneurship, because the high level of formal education they had undertaken (or were undertaking) reinforced their belief in the value of all forms of learning. The importance of formal learning was also reflected in their desire to have well educated children. Therefore, immigrant entrepreneurs in this study were educated people, with varying levels of school, vocational and degree qualifications. Furthermore, all four immigrant entrepreneur groups, on average, had higher qualifications than their general ethnic population in New Zealand.

This study contends that there is a relationship between formal learning and immigrant entrepreneurship, but that this does not necessarily focus simply on higher education. Vocational and industry learning may be equally responsible for increasing the propensity for entrepreneurial activity. The best example in this study is that of Dutch community, who had the highest vocational learning and also the highest entrepreneurial activity for the four groups under study. In direct contrast, a lack of formal learning can reduce entrepreneurial propensity. This is a critical factor for the Pacific Peoples in New Zealand, as they have the lowest levels of higher education and the highest level of unqualified people of the four groups studied, and subsequently the lowest level of self-employment.

Confidence

The level of individual and collective confidence was identified as impacting on entrepreneurial activity. When immigrant entrepreneurs spoke about their business strengths and weaknesses, the comments of Dutch, Indian and Chinese focused predominantly on their strengths. On the other hand the Pacific immigrant entrepreneurs spoke more of weaknesses, which infers a level of cultural humbleness but also highlighted a lack of confidence in the group with the lowest level of entrepreneurial activity. This study concluded, therefore, that a high level of business confidence in immigrant groups is linked with high entrepreneurial activity.

A further confidence issue related to the size of New Zealand's economy. An ethnic leader referred to the disappointment for some business people arriving in New Zealand, where they discovered that there was not the critical mass to engage in the level of business activity they had previously experienced. This is in contrast to India or East, where most businesses succeed because of critical mass for a given product or service. Certainly this view was matched by comments of some Indian and Chinese immigrant entrepreneurs from large city backgrounds, where they intimated that their business skills or prowess were not suited to a smaller market. Therefore, this study contends that a 'style' and 'skill set' mismatch may have limited the performance of some immigrant entrepreneurs from large population base homelands, in their business dealings in New Zealand.

Forced entrepreneurship

The literature identifies a prevalence of forced entrepreneurs (see for instance Dunstan et al., 2004; Hammarstedt, 2004; Kontos, 2004), that is, immigrants who through

disadvantage and limited opportunities such as a difficulty speaking the language of the host country, poverty, lack of meaningful employment opportunities, educational discrimination, and personal discrimination make the decision to become self-employed. To this end, this study did highlight some levels of discrimination, difficulties in New Zealand with employment, language and cultural differences, yet the connection to forced entrepreneurship was not substantiated. It therefore suggests that forced entrepreneurship is not a prominent type of immigrant entrepreneurship in New Zealand. Factors such as a better natural environment, social welfare infrastructure, and community support, which enhance quality of life in New Zealand, may be factors in negating the necessity entrepreneur. Never-the-less, this study did identify factors of disadvantage as influencing the immigrant entrepreneurs' broader decision making processes. Li (1993) discussed the blocked mobility thesis²⁴ and the transplanted cultural thesis, emphasising both sojourning orientation (motivated to succeed in the host country and then return to their homeland roots) and the primordial kinship ties as being instrumental to the formation of traditional businesses. These factors were not completely absent within the New Zealand context, but they were not clearly identified as a catalyst to business activity. In fact, for the immigrant entrepreneurs in this study, blocked mobility and sojourning orientation did not contribute significantly.

Implications

This study reinforces the need for continuous education and learning for both immigrants and second generation New Zealand-born. This study has identified that this is clearly understood by Chinese and Indian communities, and that they place high expectations on their children to achieve academically. But the fact that the Pacific community have a very low level of qualifications among its people is of deep concern. There is evidence that Pacific People place a great importance on education, yet their children underachieve at school (Fitzpatrick, 2006). They are dropping out of school in large numbers, when in fact the young Pacific People need to be encouraged to partake in all forms of formal learning. School participation facilitates the smoother entrance into the workforce which would allow them to partake in practical learning and ongoing education - as is relatively common with the Dutch second generation, who generally do not follow an academic path to the same

²⁴ The blocked mobility thesis argues that discrimination and racial barriers produce unfavourable and restrictive opportunities in the labour market and drive immigrants into limited business ventures in their ethnic enclaves to avoid competition and hostility from the dominant group (Li, 2003).

extent as Chinese and Indian offspring – but were very entrepreneurial. Just as academic learning enhances the propensity for entrepreneurial activity, practical learning equally facilitates the growth of immigrant entrepreneurs within ethnic communities. Therefore, this study contends that the more ethnic immigrant communities (such as the Pacific People) can make the transition from school into academic or practical based learning, the greater will be the propensity for entrepreneurial activity.

This study also contends that the development of greater business confidence and greater understanding of the New Zealand context in ethnic immigrant communities will also enhance entrepreneurial activity. It suggests that there is little evidence of necessity entrepreneurs or blocked mobility. Therefore, in order to increase the level of entrepreneurial activity in the broader New Zealand context, receiving countries and their diverse ethnic communities can play an important role by championing the reduction of barriers, promoting continual learning, and facilitating business training and mentoring.

8.3 Limitations of the Study of Immigrant Entrepreneurship

The statistical data used to support this study was predominantly from the 2001 census. This secondary data was used because during the 18 month data collection and analysis (September 2005 to May 2007) the 2006 census data was not available. However, as the census data was used to inform on broad statistical trends as opposed to specific time related issues, the 2001 data was considered appropriate for inclusion in this study.

The reflections on immigrant activity that were uncovered among participants, through the application of grounded theory, and the subsequent model development, depicted a positive perspective of entrepreneurial development. It highlighted the successful business ‘corridors’ travelled by immigrant entrepreneurs as they dealt with the opportunities and challenges of SME development. This research does, however, not wish to be considered as predominantly viewing immigrant entrepreneurship ‘through rose-coloured glasses,’ as it acknowledges the negative aspects of entrepreneurship, such as the existence of ‘criminal’ entrepreneurship that purveys all levels of society and crosses racial boundaries. There is also the acknowledgement of the immigrants’ precarious relationship to the informal economy and simultaneous embeddedness in the welfare state, which has spawned heated

and controversial debate (Apitzsch, 2004). Within the formal and informal economy there is also the propensity for the evasion of taxation obligations at varying levels. Furthermore, the 'dark side' of entrepreneurship (Kuratko & Hodgetts, 2004) is also acknowledged with reference to the internal demons that hamper many successful entrepreneurs, or the external factors that impact on society such as business failures or unethical practices (e.g. "The high-flier who crashed and burned," 1999). Certainly entrepreneurial activity is not a bed of roses for all immigrants (Rath & Kloosterman, 2003) and this study acknowledges that reality. There are also the societal problems that plague all ethnic groups and impact on the entrepreneurs' lives. For example, an ethnic entrepreneur, who on acceptance of a New Zealand ethnic businessperson award, expressed her pain pertaining to an upbringing of living with family alcoholism and abuse (Douglas, 2001). These are all significant issues, but did not evolve as elements of the model of immigrant entrepreneurship's structure. Instead this study would suggest that these issues may become outcomes of the application of the model as opposed to being an integral part of the model's structure. Pre-empting particular entrepreneurial outcomes does not add to the objective development of any immigrant entrepreneurship profile, whereas the concepts within each of the model's constructs have significant flexibility and inquiry power to allow analysis or interpretation to occur on an individual case basis (including individual and group cases).

In reflecting on immigrant entrepreneurs, the model's promotion of a proactive and pragmatic view of their activity does not negate the existence of difficulties or covert activity (as they exist in all walks of life), but infers that the model's objective is to create a foundation from which to analysis immigrant entrepreneurial activities in its many guises. It is often far too easy to reflect on the negative by looking at the past, rather than uncovering new understanding by which we can move forward positively.

The question of researcher bias is often contentious within qualitative research. As this study was undertaken by a researcher with a Dutch immigrant background, the potential bias must be acknowledged as a limitation. However, this study also contends that every effort was made to conduct this study in accordance with the principles of grounded theory, that is, suspend knowledge or preconceived ideas to allow theoretical emergence. Furthermore, the introduction of the three other ethnic groups to whom the researcher had no connection, and the sheer bulk of data which was constantly analysed, compared and interpreted, it is suggested that any such bias may have been mitigated.

As properties emerged and formed specific categories (for example 'strong work ethic'), an uncertainty arose as to what extent such phenomena were attributable to the 'migrant factor' or to a general entrepreneurial trait. Although this study has briefly addressed this issue (see Section 7.2.3), developing a greater understanding of the origins of influencing factors would necessitate the introduction of a further sample group of immigrants who were not involved in entrepreneurial activity, thereby enabling a comparison to be undertaken. A clear answer to this issue was beyond the scope of the current study, which was concerned with developing a general model of immigrant entrepreneurship. However this question, along with other research questions arising out of the study, will be the subject of future research.

8.4 Future Research

Future research can look to provide more extensive reporting on the specific factors of immigrant entrepreneurship identified by the application of the model developed in this research. This study alluded to the potential application of the model, and to a number of issues which required deeper investigation but were beyond the parameters of the current research. These include:

- The application of the model of immigrant entrepreneurship to other immigrant ethnic groups, to other receiving countries, and to the comparison of specific ethnic groups in different receiving countries.
- In depth study of the impact of intra-groups variation on immigrant entrepreneurship.
- In depth study of the impact of different settlement modes on immigrant entrepreneurship.
- Research into the influence of the 'migrant factor' on immigrant entrepreneurship.
- Research into the impact on immigrant entrepreneurship of interdependence within immigrant communities.
- Research into the relationship between bilingualism and immigrant entrepreneurship.
- Research into the relationship between social capital and immigrant entrepreneurship. This may include ethnic social capital and broader social capital.
- In depth study of the impact of different levels of learning on immigrant entrepreneurship.
- The development of research related to gender issues in immigrant entrepreneurship.

The extent of future research is by no means exhausted by the above list, and the potential for studies relating to immigrant entrepreneurship is enormous. Therefore, even though the development of the model of immigrant entrepreneurship is, in itself, a significant research outcome, a secondary outcome is that this thesis has highlighted the depth and richness of this field of study.

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**THE INFLUENCE OF MIGRATION, SETTLEMENT,
CULTURAL AND BUSINESS FACTORS ON
IMMIGRANT ENTREPRENEURSHIP
IN NEW ZEALAND**

APPENDICES

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2007

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APPENDIX 1

SAMPLE DEMOGRAPHIC: IMMIGRANT ENTREPRENEURS

Immigrant Entrepreneurs (for grounded theory and case study analysis)				
No/Reference	Business type	Location	Profile	Interview/Date
1 ENT.1.01.D.FM	Engineering	Christchurch	Dutch Male	(a) FTF 1 Sept 2005 (b) Follow-up telephone 20 Sept 2006
2 ENT.1.02.D.FM	Heating manufacturer	Christchurch	Dutch Male	(a) FTF 2 Sept 2005 (b) Follow-up telephone 19 Sept 2006
3 ENT.1.03.D.FM	Photography	Christchurch	Dutch Male	(a) FTF 6 Sept 2005 (b) Follow-up telephone 26 Sept 2006
4 ENT.1.04.D.SM	Construction	Christchurch	Dutch Male / 2 nd Generation	(a) FTF 8 Sept 2005 (b) Follow-up FTF 20 Sept 2006
5 ENT.1.05.D.FM	Butchery	Christchurch	Dutch Male	(a) FTF 18 Oct 2005 (b) Follow-up telephone 19 Sept 2006
6 ENT.1.06.D.FF	Café/Food Retail	Bulls	Dutch Female	(a) Telephone 22 Nov 2005; (b) Follow-up letter: 28 Sept 2006
7 ENT.1.07.D.FM	Café/Food Retail	Christchurch	Dutch Male	(a) FTF 25 Nov 2005 (No follow-up needed)
8 ENT.1.08.D.FM	Farming/developing	Nelson	Dutch Female	(a) Text 31 Jan 2006 (b) Follow-up telephone: 22 Sept 2006
9 ENT.1.09.D.FF	Marketing Consultant	Invercargill	Dutch Female	(a) FTF 21 Mar 2006 (No follow-up needed)
10 ENT.1.10.DSF	Rest home	Oamaru	Dutch Female / 2 nd Generation	(a) FTF 28 April 2006 (b) Mail follow-up 5 Oct 2006;
11 ENT.1.11.DSM	Construction	Oamaru	Dutch Male / 2 nd Generation	(a) FTF 28 April 2006 (b) Follow-up email 18 Sep 2006
12 ENT.2.01.P.SM	Financial Services	Christchurch	Pacific/Samoan Male / 2 nd Generation	(a) FTF: 11 Oct 2005 (b) Follow-up telephone 20 Sept 2006
13 ENT.2.02.P.SM	Commercial Cleaner	Christchurch	Pacific/Samoan Male / 2 nd Generation	(a) FTF: 13 Oct 2005 (No follow-up needed)
14 ENT.2.03.P.FF	Freighting	Auckland	Pacific/Tongan Female	(a) Telephone 23 Nov 2005 (No follow-up needed)
15 ENT.2.04.P.SF	Accounting Services	Auckland	Pacific/Samoan Female / 2 nd Generation	(a) Telephone 6 March 2006 (b) Follow-up telephone 19 Oct 2006
16 ENT.2.05.P.SM	Financial Services	Porirua	Pacific Male / 2 nd Generation	(a) Email March 2006 (b) Follow-up email 20 Sept 2006
17 ENT.2.06.P.SM	Produce buyer/seller	Auckland	Pacific/Niue Male / 2 nd Generation	(a) Telephone 11 July 2006 (b) Follow-up telephone 26 Sept 2006
18 ENT.2.07.P.SM	Building Supplies	(Auckland	Pacific/Tongan Male / 2 nd Generation	(a) Telephone 11 July 2006 (No follow-up needed)
19 ENT.2.08.P.FM	Newspaper	Auckland	Pacific/Samoan Male	(a) Telephone 13 July 2006 (b) Follow-up telephone Sept 2006
20 ENT.2.09.P.SM	Abbey Signs & Services	Wellington	Pacific Male / 2 nd Generation	(a) Telephone 19 July 2006 (b) Follow-up telephone 20 Oct 2006
21 ENT.2.10.P.FM	Marketing & Communications	Auckland	Pacific Male	(a) Telephone: 25 July 2006 (b) FTF follow-up 5 Oct 2006
22 ENT.2.11.P.SF	Financial services	Auckland	Pacific/Samoan Female / 2 nd Generation	(a) Telephone: 27 July 2006 (No follow-up needed)
23 ENT.3.01.I.FM	Restaurant	Christchurch	Indian/West Bengal Male	(a) FTF: 18 Oct 2005 (No follow-up needed)
24 ENT.3.02.I.FM	Manufacturing	Auckland	Southern India Male	(a) Telephone 21 Nov 2005; (b) Written 17 Nov 2005; (c) FTF follow-up 3 Oct 2006;
25 ENT.3.03.I.FM	Mobile café	Wellington	Southern India Male	(a) Interview 23 Nov 2005 (b) Follow-up Email 19 Sept 2006
26 ENT.3.04.I.FM	Car sales	Auckland	Indian/Fijian Male	(a) Telephone 2 Feb 2006 (b) FTF 3 Oct 2006 (c) Follow-up email 18 Nov 2006
27 ENT.3.05.I.FM	Hardware Retailer	Auckland	Indian/Fijian Male	(a) Written 3 Feb 2006; (b) Telephone 13 Feb 2006 (c) Follow-up email 19 Sept 2006

28 ENT.3.06.I.SM	Restaurant	Christchurch	Indian/Madras Male / 2 nd Generation	(a) FTF: 6 Feb 2006 (No follow-up needed)
29 ENT.3.07.I.FM	Timber Export	Picton	Southern Indian Male	(a) Telephone 6 Feb 2006 (b) Follow-up email 20 Sept 2006
30 ENT.3.08.I.FF	Restaurant	Auckland	Indian Female	(a) Telephone 25 April 2006 (b) Follow-up email 22 Sept 2006
31 ENT.3.09.I.FF	Transport Services	Christchurch	Indian Female	(a) FTF 5 July 2006 (No follow-up needed)
32 ENT.3.10.I.FM	Bakery	(Christchurch	Indian Male	(a) FTF 26 July 2006 (b) Follow-up telephone 20 Oct 2006
33 ENT.4.01.CFM	Fast Food Retail	Hamilton	Chinese/Hong Kong Male	(a) Telephone 8 Feb 2006 (b) Follow-up email 19 Sept 2006
34 ENT.4.02.CFM	Immigration Services	Christchurch	Chinese Male	(a) FTF 30 March 2006 (b) Follow-up email 1 Oct 2006
35 ENT.4.03.CFM	Retailer	Auckland	Chinese/Taiwan Male	(a) Telephone 12 April 2006 (b) Follow-up email 20 Sept 2006
36 ENT.4.04.CFM	Biotechnology	Dunedin	Chinese/Hong Kong Male	(a) FTF 28 April 2006 (b) Follow-up email 19 Sept 2006
37 ENT.4.05.CFM	Mortgage/finance Brokerage	Christchurch	Chinese Male	(a) Telephone 22 May 2006 (b) Follow-up telephone 26 Sept 2006
38 ENT.4.06.CSM	Hardware Retailer	Auckland	Chinese Male / 2 nd Generation	(a) Telephone 31 May 2006 (b) Follow-up telephone 24 Oct 2006
39 ENT.4.07.CFF	Immigration Services	Christchurch	Chinese Female	(a) FTF 1 Aug 2006 (b) Follow-up email 21 Sept 2006
40 ENT.4.08.CSM	Market Gardening	Oamaru	Chinese Male / 2 nd Generation	(a) Telephone 10 Aug 2006 (No follow-up needed)
41 ENT.4.09.CSF	Cafe	Christchurch	Chinese Female / 2 nd Generation	(a) FTF 11 Aug 2006 (b) Text 12 Aug 2006 (c) Follow-up email 20 Sept 2006
42 ENT.4.10.CSF	Clothing Design	Christchurch	Chinese Female / 2 nd Generation	(a) Text 15 Aug 2006 (No follow-up needed)

APPENDIX 2

INTERVIEW INSTRUMENTS: IMMIGRANT ENTREPRENEURS

1. Unstructured interview instrument for initial four interviews

Interview Instrument No 1

BACKGROUND

Tell me about your upbringing and background [in your home country/in New Zealand]

Why did you (your family) decide to come to New Zealand?

Tell me about your (their) hopes and ambitions when you (they) arrived in New Zealand.

Tell me about your (their) employment? [to your (their) expectation?]

What were your (their) educational qualifications [trade/graduate/post-graduate]

Tell me about your (their) settling in New Zealand (e.g. language, culture, law, prejudice, social isolation.)

BUSINESS

At what point did you (they) decide to enter business?

What were the main reasons for going into business?

Tell me about your “business philosophy”

How your background/culture influence the way you do business?

Are family involved with the business? Is this important?

Do you have business connection with your homeland?

Did you get any help or undertake some sort of training? [if yes, explain]

What does ‘business success mean to you?

Have you any other comments you wish to share about your experiences, buianess or otherwise, in New Zealand?

2. Interview instrument at the midway point of the study (interview 20-24)

(Note: categories but not constructs had begun to form at this stage)

IEr Semi-structured Interview Instrument: No6

I. Questions: Immigrant Profile

1)	a. Where did you (or your parents if you are second generation/NZ born) migrate from?	Homeland Profile/History
	b. Tell me about your/your parents upbringing & background in the homeland	
	c. Were you raised with entrepreneurial activity among your family members?	
	d. What work experiences did you have in your homeland?	
	e. What was your migration status when you/your family arrived in NZ?	
	f. What were your/their hopes and ambitions on arrival?	
2)	a. Why did you/your parents decide to come to New Zealand?	Migration Drivers
	b. Did you have links in NZ?	
	c. Were there any practical problems with migrating to NZ?	
3)	a. Where did you initially live when you arrived?	NZ Arrival & pre-bus experiences
	b. Did you/they have a predetermined job when you arrived?	
	c. What were your/their first experiences in NZ?	
	d. Any major difficulties? (Employment, language, culture prejudice, isolation?)	
II. Questions: Entrepreneurial Activity		
4)	a. Why did you decide to go into business?	Business Startup Catalyst
	b. How did you go about starting/operating your own business?	
	c. Do you think your immigrant background influenced your desire to go into business?	
5)	a. What are your main reasons for being in business for yourself?	IE Drivers & Goals
	b. Have you set goals for what you want to achieve?	
	c. How do you measure business success?	
	* Personal success?	
6)	a. What is a 'typical week' for you in terms of hours worked and type of work?	IE Profile
	b. What do you believe are your personal business strengths?	
	c. What do you believe are your personal business weaknesses?	
	d. Do you think your ethnic background influences the way you do business?	
	e. Do you have role models that inspire you?	
7)	a. Where have you gained most of your business skills?	IE Learning
	b. What are your qualifications?	
	c. Have you undertaken any form of business training in NZ?	
	d. What is your view of education verses experience?	
	e. Do you use outside support (consultants, mentors specialists?)	

	III Questions: Business Activity		
8)	<ul style="list-style-type: none"> a. What type of business do you operate? b. Did you have any major challenges or difficulties in starting your business? c. What are your expectations of business growth? d. Does your business have strong support of your ethnic community? e. Do you think your upbringing has influenced the way you do business? Your business aspirations? 	Business Characteristics	
9)	<ul style="list-style-type: none"> a. Do you have philosophies about how you should run a business? 	Business Philosophy	
10)	<ul style="list-style-type: none"> a. What is the most importance lessons in managing finances? b. Has financing your business (getting capital) been a challenge? c. Has managing cashflow been a challenge? 	Business Finances	
11)	<ul style="list-style-type: none"> a. Do you find there is personal stress in running your business? b. How do you manage the stress? 	Business Stress	
	IV Questions: Interpersonal		
12)	<ul style="list-style-type: none"> a. Are family members involved with the business? How? b. Is it important to have family involved? c. Are there costs or benefits in having family involved? d. Is it important to have family succession in your business? e. Do your family have an influence in your business practices? 	Interpersonal - family	
13)	<ul style="list-style-type: none"> a. Do you have strong connection to your family? b. Do you have strong connections to your (ethnic) community in NZ? c. What are some of the cultural values or traditions that are important to how you live your life? d. Are there any aspects of your cultural background that can be considered advantageous to business activity? e. Are there any aspects of your cultural background that can be considered as detrimental to business activity? f. Do you believe that people from your cultural background tend to establish themselves in certain types of businesses? g. Do you feel a stronger national identification with NZ or your homeland? h. What language is spoken at home? f. Does your culture bring unique aspects to the NZ way of life? 	Interpersonal - cultural	
	V Questions: NZ Environment		
14)	<ul style="list-style-type: none"> a. What is your view of NZ as a society to live in? b. Do NZers have their own unique characteristics? b. What is your view of the business structures in NZ? c. What difficulties have you encountered in NZ society? 	NZ Environment	
15)	<ul style="list-style-type: none"> a. What personal connections (if any) do you have with your homeland? b. What business connections (if any) do you have with your homeland? 	Homeland	

3. Example of follow-up interview

Dear [IErs name]

First of all, thank you again for your support of my study. I have now undertaken and analysed 44 interviews and I am now close to the writing up of my findings. But before that I have a few follow-up questions which I hope you can help me with.

I imagine **this should only take a few minutes** as questions are often yes/no (although elaboration is always welcome). I would be very thankful if you could email your responses back to me as soon as possible.

Thanks in anticipation.

Herb

Question 1: Did religion play an important part in your upbringing? Or you current life? How?

Question 2: Was there any entrepreneurial activity in your family back in Holland?

Question 4: Are you the type of persons who likes to set clear goals for your business? Can you give me an example?

Question 5: How do you manage the stress of running the business?

Question 6: What do you think is most important to business success. Academic learning or practical business experience?

Question 7: Do you have any business role models ? Other role models? If so, can you give an example of each.

Question 8: Was it difficult getting finance to start your business? (did you need to borrow?)

Question 9: What is your overall view of New Zealand as a country to live in?

Question 10: What do the Dutch bring to New Zealand was of life?

APPENDIX 3
SEMI-STRUCTURED INTERVIEW (TEMPLATE)

I. Questions: Migration Profile			Expansion of questions					
1)	a.	Where did you or your parents (<i>if you are second generation/[receiving country] born</i>) migrate from?	Homeland Profile/History	Geographic	Lifestyle	Any dissatisfactions	Residential profile	
	b.	Tell me about your/your parents upbringing and background your the homeland		Traditions	Family experiences	Education in homeland	Family size	Oldest child?
	c.	Were you raised with entrepreneurial activity occurring among your homeland family members?		Business experiences	Parents profession			
	d.	What work experiences did you/your parents have in your homeland?		Rural	Blue collar	White collar		
2)	a.	Why did you/your parents decide to migrate to the [receiving country]?	Migration Drivers	Environmental	Quality of life	Education	Un-initiated by IEr	Problems at home?
	b.	What were your/their hopes and ambitions in migrating?		Knowledge of [receiving country]?				
	c.	Did you/your parents have links in [receiving country]?		Family	Non-family			
3)	a.	What was your migration status when you/your family arrived in [receiving country]?	Immigration	Permanent residence	Temporary visa	Solo or with family?	Financially independent?	
	b.	Were there any practical problems with migrating to [receiving country]?		Migration program	Restrictions	Homeland or [receiving country]?		
II. Questions: Settlement Profile			Expansion of questions					
4)	a.	Where did you initially live when you arrived in [receiving country]?	Arrival and Pre-bus Experiences	City	Rural	Town		
	b.	Did you have a predetermined job when you arrived?		Yes/No	First type of job: Blue? White?		Ease of getting work?	Difficulties?
	c.	What were your/their first experiences in [receiving country]?		Assimilation	Work integration	Community support	Impressions of [receiving country]	
	d.	Did you/your parents experience any major difficulties?		Language	Prejudice/discrimination	Isolation	Employment	
5)	a.	What is your view of [the receiving country] as a society to live in?	Societal Perspectives	Cultural Fit	Ethnic	Fairness	Education	Infrastructure
	b.	What difficulties have you encountered in [the receiving country's] society?		Business	Personal			

	c.	Do [receiving country] citizens have their own unique characteristics?					
6)	a.	How supportive is the business environment in [the receiving country]?	Business Integration	Supportive?	Limiting?	Business attitudes	People
III. Questions: Cultural Profile			Expansion of questions				
7)	a.	Does faith/religion play an important role in your life?	Personal				
	b.	Have you set goals for what you want to achieve in life?		Yes/No	What goals?	Goal setter?	
	c.	How do you measure business success?		Financial?	Personal?	Family?	
		* or Personal success?		Different?	Same?		
	d.	What is a 'typical week' for you in terms of the hours worked and type of work?		Hour hours?	Hard working?	Trade-offs?	
	e.	What do you believe are your personal business strengths ?		Personal skills	Functional skills		
	f.	What do you believe are your personal business weaknesses ?		Personal skills	Functional skills	Individualistic	
	g.	Do you find there is significant personal stress in running your business?		High? Low?			
	h.	How do you manage the stress?					
8)	a.	Are family members involved with your business? In what way?	Family	Children	Spouse	Extended family	Parents
	b.	Do you feel that it is important to have family involved in your business?		Preferred	Not preferred	Optional	Challenging
	c.	What are the costs or benefits in having family involved?					
	d.	Is it important to have family succession for your business?		occurrence	non-occurrence		
	e.	Do family members have an influence in your business practices? Who? How?		Parents values	other family		
9)	a.	Do you have strong connection to your immediate or extended family?	Ethnic Community	Immediate family: In [receiving country]		Extended family: In [receiving country]	Homeland
	b.	Do you have strong connections to your (ethnic) community in [the receiving country]?		Support OFF	Support FROM	Networks?	

	c.	What are some of your ethnic cultural values or traditions that are important to how you live your life?		Respect	Non-monetary	Parents	Elders
	d.	Are there any aspects of your cultural background that can be considered advantageous or detrimental to business activity?					
	e.	Do you believe that people from your cultural background tend to establish themselves in certain types of businesses?		Food?	Retail?	Variety?	
	f.	Do you feel a stronger national identification with [the receiving country] or your homeland?		[Receiving country]	Homeland	Divided	
	g.	What language or languages are spoken in your home?		Bilingual	[Receiving country]	Homeland	
	h.	Do you think your ethnic background influences the way you do business?					
	i.	Does your culture bring any unique features to [the receiving country's] way of life?					
10)	a.	What personal connections (if any) do you have with your homeland?	Homeland				
	b.	What business connections (if any) do you have with your homeland?					

IV Questions: Business Profile

Expansion of questions

11)	a.	Why did you decide to go into business for yourself?	Business Drivers	Personal fulfillment	Situational needs	External catalysts		
	b.	How did you go about starting/purchasing our business?		Gradual?	Immediate?	In partnership?		
	c.	What are your main reasons for being in business for yourself?		Financial	Business	Personal	Homeland	Immigrant
12)	a.	Do you have any academic qualifications?	Learning	Business	Non-business			
	b.	Where and how have you gained most of your business skills?		Academic	Training	Experience	2nd party skills	
	c.	Have you undertaken any form of business training in [the receiving country]?		Other training?		Formal or informal		
	d.	What is your view of education verses experience as a prerequisite for running a business?						

	e.	Do you use outside support (consultants, mentors specialists?)		Accountants?	Mentors?	Specialist consultants?		
	f.	Do you have role models that inspire you?		Family	Business	Sport	Other	Act as role modle?
13)	a.	What are the most importance lessons, that your have learnt about managing business finances?	Financial Capital	Attitude to money?	Careful with money?			
	b.	Has financing your business (getting capital) been a challenge?		Borrowing is a challenge?				
	c.	Has managing cashflow been a challenge?						
14)	a.	What type of business do you operate?	Business Characteristics	Service	Manufacturing	Retail	Farming	Husband/wife business
	b.	Did you have any major challenges or difficulties in starting your business?		Prejudice	Doubters			
	c.	What are your expectations for business growth?						
	d.	Does your business have strong support from your ethnic community?						
	e.	Do you think your upbringing/cultural background has influenced the way you do business? Or your business aspirations?		Parental/family values?	Cultural values?			
15)	a.	Do you have any philosophies about how you should run a business? Personal philosophies? Culturally based philosophies	Business Philosophy	Personal Mgt style	Managing people	Customers	Managing finances	Business style

APPENDIX 4

SAMPLE DEMOGRAPHIC: ETHNIC COMMUNITY LEADERS

Ethnic Community Leaders (for case study analysis)				
Reference	Business type	Location	Profile	Interview/Date
43 EXP.301.I	New Zealand Asia Institute	Auckland	Indian	FTF: 3 Oct 2006;
44 EXP.302.I	Indian Newslink	Auckland	Indian	FTF: 4 Oct 2006;
45 EXP.2.01.P	Pacific Business Trust	Auckland	Pacific	FTF: 4 Oct 2006;
46 EXP.2.02.P	Ministry of Pacific Island Affairs	Christchurch	Pacific	FTF: 24 Oct 2006;
47 EXP.4.01C	Dunedin CC	Dunedin	Chinese	Telephone: 12 Oct, 2006
48 EXP.4.02C	Gibson Group	Auckland	Chinese	Video: 23 April 2007
49 EXP.1.01.D	Honorary Consul Netherlands Consulate	Christchurch	Dutch	FTF: 23 April 2007
50 EXP.1.01.D	The Netherlands New Zealand Business Association	Wellington	Dutch	Telephone: 24 April 2007.

APPENDIX 5

INTERVIEW INSTRUMENT: ETHNIC COMMUNITY LEADERS

Part 1: Migration

1. What is the socio-economic background for people coming from [particular group]?
2. Do people from [particular group] have any particular practical problems with migration?
3. What are their drivers for coming to New Zealand?
4. Where do they tend to reside in New Zealand?
5. Does religion play an important part in there lives?

Part 2: Settlement Profile

6. How well do [particular group] integrate into New Zealand society when they arrive?
7. What are the main integration problems?
8. Is there generally access to jobs here in New Zealand? (blue collar/whit collar?)
9. How do you perceive the New Zealand social and economic infrastructure for [particular group] immigrants (or second generation)?
10. How easy is it for [particular group] to integrate into the New Zealand business environment?
11. What unique things do [particular group] bring to the New Zealand society?

Part 3: Cultural Profile

12. Does family play an important part in [particular group] business activities? Is children involvement common, succession common?
13. Do they have strong homeland connections? Personal or business?
14. Do they have strong [particular group] community connections?
15. Are there any particular characteristic of [particular group] community? Strengths or weaknesses in business?
16. How important is ethnic identity? Language?
17. Do [individuals in particular group] have any strong or unique character traits?
18. Do they tend to work long hour and be hard working?

19. What are some of the reasons why [particular group] go into business for themselves? (is independence important?)
20. Do they have academic training or practical experience (learning by doing)?

Part 4: Business Profile

21. What type of businesses do [particular group] go into? (ethnic focus?)
22. What business traits do [particular group] business people have? (strengths/weaknesses?)
23. What are the catalyst and supports structure that help them to start in business? (Job dissatisfaction? External help?)
24. Are they inclined to use outside help? (accountants, mentors, consultants?)
25. Are there any trends in how they generally start their businesses (small beginnings, part-time, home?).
26. Is getting access to capital problematic? Cash-flow a problem? Attitudes to money?
27. Do you think [particular group] have any particular philosophies about doing business?

APPENDIX 6

A CASE STUDY OF CHINESE IMMIGRANT ENTREPRENEURSHIP

This Chinese case analysis is part of a broader study of four ethnic groups, Chinese, Dutch, Indian and Pacific Peoples. This case focuses discussion on the nature of Chinese entrepreneurial activity in New Zealand and is based on triangulated research undertaken from September 2005 to May 2007, consisting of: (1) nineteen face-to-face or telephone interviews with ten Chinese IERs; (2) one face-to-face interview with a Chinese community leader and secondary interview data from three ethnic leaders¹; (3) a review of the relevant Chinese migrant literature. The case study evidence is presented in a format based on the structural outline of the immigrant entrepreneurship model (as outlined in Chapter Six), where the following four constructs were utilised: migration profile, settlement profile, cultural profile and business profile.

6.1 Migration Profile

6.1.1 Homeland

Geographic origins

China is a geographically vast and densely populated nation. The Chinese IERs within the case analysis came from a broad range of geographic origins, with entrepreneurs or their migrant parents arriving from regions of China such as: Wuhan (central), Hong Kong (southern), Beijing (northern), and Guangdong (southern). This diversity of geographic origins led to clear distinctions within the Chinese communities, based on distinctions in culture, language religion and values. Ng (2001) has noted that ‘established’ (early) Chinese mainly came from the rural Canton region, and new arrivals have come from a diverse range of regions. Furthermore, Guerassimoff (2003) argued that there is in fact greater diversity within the Chinese population than is collected in the official homeland data, which generally failed to distinguish between the various provincial and cultural differences.

¹ Ethnic community leaders are referred to as ‘commentators’ in this discussion.

Within this diversity a clear distinction has arisen in New Zealand between: (1) the 'established' generation – the pre-1986 Cantonese immigrants and their New Zealand-born children and; (2) the 'new' wave of Chinese migrants - post-1986 from Hong Kong, central and northern China. Chinese IERS spoke openly of significant differences between the established generation Chinese and the new wave of Chinese immigrants. Comments by 'established' Chinese IERS included: "Yes there is still a gap, Chinese born in New Zealand most of them don't speak Chinese for a start. There is a gap in thinking as most New Zealand born have not experienced the culture of Asia," and the identification of a disconnection between the two groups "so you have got the Chinese community that has been here for ages which is quite distinct from the recent Chinese immigrants, who come here and they speak Mandarin which is the national language now. But Mandarin used to be spoken only in the Northern part of China you see. So you can imagine the old established Chinese community speaking Cantonese and don't understand the Mandarin and visa-versa. So when you ask me the question 'do we mix with the Chinese community', yeah we do but more with the old established Chinese community" (discussed further in the cultural profile).

Residence

The evidence of the broader immigrant entrepreneurship study suggests that urban (homeland)-to-urban (New Zealand) migration was the most compatible with entrepreneurial activity. There were also examples of rural-to-rural and urban-to-rural success; whilst rural to urban migration was least compatible with entrepreneurial activity. Within this study group predominantly Chinese IERS had been raised or had lived in urban settings for a significant time. Thuno (2003) observing European Chinese migrants, stated that those seeking to engage in entrepreneurial activities originate from more urban Chinese settings, whilst Ng (2001) inferred that 'new' Chinese with their urban background are high achievers with money or education, and skills to match. Therefore, the Chinese IERS in this case analysis match the urban-to-urban profile (see also settlement profile/arrival), however, many of the 'established' Chinese IERS made reference to the entrepreneurial nature of the Chinese in speaking of their parents making the rural-to-rural and rural-to-urban business transition.

Interpersonal/family dynamics

Second generation New Zealand-born Chinese IERS in this case analysis were generally from large families of medium socio-economic background as opposed to their migrant parents who were generally from a working class background. As a commentator (ethnic leader) confirmed the established migrants were peasant people who were by-and-large uneducated. 'New' Chinese IERS, on the other hand, were from smaller families and a medium socio-economic grouping. Ng (2001) confirms that new arrivals came from nuclear families in China.

Chinese IERS often reflected on a childhood of parents busy with employment. This appeared to be a factor behind this ethnic group's competitive advantage being exhibited through a strong work ethic and sense of obligation to work "*Mum and dad were always really busy, both at work. We used to just play in the restaurant*" (discussed in greater detail in the cultural profile). Most Chinese IERS reflected on the absence of a strong religious grounding and therefore considered religion not to have a major influence on their entrepreneurial activities.

Work dynamics

Chinese IERS had varied family work histories. They generally spoke of their parents coming from a broad spectrum of blue and white collar employment and having little experience of entrepreneurial activity within the family. Many new migrants and second generation New Zealand-born IERS reflected on their experience of both parents working long hours to support the family. The Chinese IERS also came from varying work backgrounds, with no consistent career patterns within second generation New Zealand-born IERS or newly migrated IERS.

6.1.2 Drivers

Family

Having an established family network in New Zealand did not play an important role in Chinese IERS' or the parents of New Zealand-born IERS' decision to migrate. In fact only three made reference to the impact of homeland based or New Zealand based family on their decision. The international literature, on the other hand, suggested a stronger

connection. For example, in a study of Chinese migrating to France, Guerassimoff (2003) stated that family networks were of considerable support to new immigrants, providing accommodation and contacts to secure employment. Thuno (2003), again looking at the European context, stated that Chinese immigrants arrived in countries where Chinese migrants had been living for decades, while Duncan et al. (1997) suggested friends in New Zealand were a significant source of information for prospective migrants. A commentator offered a different perspective, in suggesting that the established migrant group had a need to support family back home. Similarly Ng (2001) stated that established Chinese came to New Zealand as sojourners - to earn enough money so that when they returned home they and their families would have a better standard of living.

Quality of life

The overwhelming personal driver for Chinese IERS or their parents was the perception that they would achieve an economic based better quality of life *"Definitely for a better way of life."* Some Chinese IERS inferred that they or their parents had migrated to give their children greater opportunities *"Mainly for the education system for our daughter and the different lifestyle,"* also *"So I thought it was a very good place, for my daughter and also for me."* This desire to offer their children a better quality of life is also supported by comments of commentators, and in the literature - in which the importance is placed on education (Duncan et al., 1997; Ng, 2001). Zhang (2003) from the perspective of the sojourner theory, said that the primary objective of the 'established' Chinese was to earn money rather than to set themselves up permanently in New Zealand. Some new Chinese IERS (n=4) made the decision to migrate after visiting or studying in New Zealand previously. Ng (2001 p. 18) in discussing the 'new' migrants raised concerns at the number of Chinese that have come "with an excessive wish for an easy 'life style' while they educate their children." Ng suggested that they are not like the established immigrants who were determined to acquire wealth and utilise talents to prove themselves and regain control over family destinies. Homeland dissatisfaction was therefore not a significant driver for new Chinese IERS. In contrast, second generation New Zealand-born IERS referred to the homeland poverty which prompted their parent to migrate - knowing little or nothing about New Zealand. These perceptions were also reflected in commentators' remarks of homeland adversity being the driver of established immigrants

6.1.3 Immigration

Chinese IERs or the parents of New Zealand-born Chinese IERs arrived in New Zealand and quickly sought New Zealand residence. There was a predominance of solo migration. Established migrants left their old country with limited financial resources, while new migrants were generally left financially secure. Chinese IERs stated that there were some practical difficulties for themselves or their families in migrating to New Zealand. There was clear evidence of different regulations being enforced in different decades, from the poll tax inflicted in the nineteen hundreds to the points system of the last decade. There were always barriers such as *"At that time it was quite difficult because you had to get a job first before they give you residency. It's a catch 22; once you get a job then you get citizenship which you need before you can take on a job!"* There was also some difficulty regarding the Chinese understanding of New Zealand. There were different expectations, as one IER said about their understanding of New Zealand *"absolutely nothing, I thought it was like Hawaii!"* Zhang (2003) argued that prior to migration, information may have been manipulated in their homeland and give the example of Chinese students and their families being mislead and cheated. The Benson-Rea and Rawlinson (2003) study stated that 85 percent of Chinese migrants maintained that they knew little or nothing about the current status of their professions in New Zealand. It can therefore be concluded that the migration process over the past 150 years has been filled with challenges for the Chinese community.

6.2 Settlement Profile

6.2.1 New Zealand Arrival and Societal Fit

Residence on arrival

The case analysis identified that 'new' Chinese IERs and second generation New Zealand-born IERs resided in New Zealand cities. The parents of second generation New Zealand-born IERs resided in both urban and rural areas on arrival. Ng (2001) suggested that 'new' Chinese settled in Auckland and Christchurch, as they are the two cities with main international airports. Overall Zodgekar (1980) identified Chinese and Polynesian communities in New Zealand as more highly urbanised than other migrant communities

such as Indian or Dutch. One commentator identified that of the huge growth of Chinese, from 1990 of 40,000 to over 100,000 currently, three quarters now live in Auckland. Ip (2002) argues that internationally clustering settlement patterns are a prominent feature of Chinese immigrant communities. This urbanisation has manifested itself through Chinese living in specific suburbs in New Zealand. They have, however, not developed exclusive Chinese urban enclaves as experienced in other migrant receiving countries such as the United States, or as experienced in other New Zealand ethnic communities such as the Pacific Peoples.

Employment on arrival

Chinese IERs or their parents had varying work status on their arrival. These included jobs arranged prior to arrival: "When I finished my PhD there was a job advertised in the medical school - pharmacy school. The pharmacy school of the medical school of the university of Otago, an academic position. So I applied and I came here," **entering on educational visas** "I went to Malaysia to continue my study and I transferred my credits to Lincoln university. So I finished my studies here," **jobless on arrival**, "But of course the difficulty is how to integrate into this society, like finding jobs," or arriving as children. Ng (2001) stated that New Zealand figures indicate a serious unemployment problem among Chinese newcomers. One argument for this circumstance is a poor command of English language hindered the formation of new social networks and denied the full utilisation of high technical or academic skills. As one Chinese IER stated "Chinese people have some ability and they have some knowledge, very good knowledge and high qualifications, high skills but very hard to find a job." A study completed by Benson-Rea and Rawlinson (2003) stated that ninety percent of respondents were confident that the level of their English was good enough to secure a good job, but this was not the case. They went on to say that again, the indication is that migrants do not have sufficient accurate information prior to departure.

Generally the Chinese IERs found work within the broader New Zealand community, whereas much of the international literature argues that Chinese migrants find work within their own community (e.g. Guerassimoff, 2003). Fernandez and Kim (1998) found that the more Asian immigrants are excluded from mainstream occupational opportunities, the more

they entered small business self-employment. However, all Chinese IERS in this case analysis had fully integrated into the workforce prior to their business ventures and thus had all experienced some form of employment, even though some did comment on the difficulty of initially finding 'suitable' employment (n=4) *"I was hoping to find a job as a travel agent quite easily, but I found out it is not true."* Predominantly this employment was white collar work for 'new' Chinese IERS. A commentator suggested Chinese cover a huge range of occupations, but lamented the lack of trade skills among their people.

Social integration

Chinese IERS remarked that they or their families had experienced some difficulty with social integration in New Zealand, especially with respect to discrimination (n=8) *"Oh yes definitely, there was racial harassment, those sort of things."* Discrimination stems back to New Zealand's colonial origins when Chinese were treated as second class citizens. As Ng (2001) commented of the established Chinese, historically Cantonese faced racial prejudice, lacked the vote or pensions, were charged a poll tax, and faced restrictive migration practices. One commentator, in discussing New Zealand history of migration said that the Chinese were the only migrants to be taxed because of skin colour, while another commentator spoke of a colonial xenophobic host culture and hatred towards Chinese who were considered as undesirables. Therefore Chinese always felt they weren't quite good enough, always seen as different, so kept their heads down and minded their own business. Even today the research of Dunstan et al. (2004) concludes that migrants of Asian descent (25 percent) experience far more discrimination in New Zealand than the Pacific Peoples (9 percent). Furthermore, Zhang (2003) commented on international concerns over ultra-nationalistic trends and racial discrimination inhibiting the natural flow of skilled manpower. The commentators went on to agree that even now xenophobia is still experienced by 'new' Chinese immigrants and suggested the problem is that Chinese do not always fit in as they look different, eat different and sound different. This has lead to some frustration within the second and third generation Chinese-New Zealanders, as a commentator stated *"it isn't that long ago that I would speak somewhere and say 'us Kiwis' and people would laugh at me. So I think it is always going to be there because of the stereotype of a Kiwi is still someone who is white. I'm not even sure where Maoris fit into it actually."* Ng, however, cautions the direct linking of all disappointment to discrimination in saying, "[i]n the search for work, some newcomers also encounter racial

discrimination, and no doubt this exists, but reasoned refusals and criticism of shortcomings can be misinterpreted as racism by individuals at the receiving end” (2001, p. 20). The case analysis concluded that many Chinese IERs said that they were not affected by it or that it was no different from that experienced in other countries “of course yes, some, but it happens everywhere. It happens in Hong Kong, it happens in Scotland. I didn’t take it very serious.”

Language (n=6) was also a concern raised by Chinese IERs as in “so I think language is part of the culture, it’s very important so we can communicate with people understand them, so language is my major concern here.” Zhang confirmed the international nature of the language barrier, in stating that: “it was one of the main factors affecting the international migration of highly skilled personnel between China and Europe” (2003, p. 89). A commentator suggested, however, that Chinese migrants put up with the isolation in terms of language difficulty because life is about the future of their children.

Chinese IERs also spoke of established Chinese having limited economic means in establishing themselves in New Zealand. To combat this social disadvantage, the role of family commitment and hard work were highlighted by commentators as vital. The forming of enclaves was also highlighted by commentators in saying that living with people with common characteristics is natural for people in new places. As one commentator said, “there is a reluctance to get away from the group with whom they are comfortable and so that means groups of Chinese sticking together and living together in the same suburbs. Their social behaviour is the same, their shopping is done in Chinese areas. That’s great for them but in terms of integration it is not helpful. Whereas, those who have moved away to areas where they have to mix with the rest of the population probably find assimilation far easier.” This perspective was emphasised by one IER in speaking of her upbringing “we ate Chinese food, wore clothing sent by Hong Kong relatives and socialised largely with the other ten Chinese market garden families.” Chinese IERs, themselves, did not speak of living in enclaves, although there was mixed feeling among both first and second generation as to how well they had adapted to the New Zealand way of life. Some talked of being a ‘banana’ – as in westernised Chinese: “well she thinks she is a Kiwi but when she look in the mirror she is a Chinese so that is a banana. To them it

is a lot of harder,” and others believing they had or are becoming ‘Kiwi-ised’ – as in fully integrated. Furthermore, the small size of the New Zealand Chinese community has also restricted the growth of enclaves compared with heavily populated urban regions overseas. To this end new Chinese IERs also spoke of some cultural shock because of the small size of the New Zealand population.

6.2.2 Societal Perspectives

New Zealand characteristics

The case analysis did not identify any clear pattern in Chinese IER opinions about New Zealanders except that they felt that New Zealanders were somewhat narrow minded and at times naïve: “I mean there’s people here that haven’t been outside the boundaries and they are a wee bit naïve in terms of that.” A commentator also spoke of the problems with white dominance “being a New Zealander to many people is being Pakeha or Maori, but New Zealanders need to get used to it, that Chinese are here to stay.” There was also a view by some new Chinese IERs that New Zealand was less developed than other Western societies “compared to Scotland, compared to Hong Kong - [New Zealand is] too backward.”

Overall Chinese IERs felt that New Zealand was a good society to live in and loved the country (n=8). IERs positively commented on enjoying the clean, green environment (n=7). Chinese IERs did make reference to some infrastructural problems in New Zealand society (n=6) “If you use my cultural background I think this society is too loose. Too much freedom for the young.” A commentator suggested that New Zealand is becoming more multi-cultural in its thinking by saying “when you look at Dunedin – where else can you say that there is an acceptance of a multicultural society when you have a Mayor that is Chinese and succeeding a Mayor who was Indian,” while another stated New Zealanders cannot close their eyes to societies changing colour and suggested that rather than the ‘melting pot’ metaphor the ‘fruit-salad’ metaphor is more appropriate to explain New Zealand’s cultural mix. Finally a commentator made reference to a changing attitude to the Chinese community as being Chinese is now more ‘cool’ than it has been in the past because of China’s profile as an economic power house.

What they bring to New Zealand society

Chinese IERS suggested that Chinese people brought depth and diversity to the New Zealand cultural mix (n=5): “We want to maintain our culture,” and food (n=4) “We bring in different tastes of food.” A commentator identified family values and the support of family as having an influence on New Zealand societal values, while another reflected on Chinese influence on the arts and fashion in New Zealand.

6.2.3 Business Integration

Level of business activity

Chinese self employment was slightly higher than the New Zealand average, and commentators identified a number of Chinese business success stories, for example, the Sew Hoy family in Dunedin and Chew Chong in Taranaki. The census figures (Statistics New Zealand, 2001a) of self-employment were 9 percent (7.5 percent New Zealand average) and 15.1 percent for self-employment without staff (12.4 percent New Zealand average), but also reflected a lower overall annual income for Chinese peoples of NZ\$9,000 (NZ\$18,600 New Zealand average). The lower income may reflect the level of Chinese involvement in education and the informal labour force utilised within Chinese family networks, and/or the migrant earning disadvantages as discussed in Chapter Six. Furthermore, this is not simply a New Zealand phenomenon, as similar self-employment results were identified in a study of Australian-Chinese (Collins, 2003).

Supportive/unsupportive factors

Some Chinese IERS commented on the comparative ease in establishing SMEs in New Zealand (n=4). A commentator stated that if the Chinese had the language skills it was relatively easy, but those without were limited to take-away places, and family type restaurants.

There was discussion of the unsupportive regulatory environment and compliance costs being unfair and costly (n=7): “We have so much paper work the Government requires us to follow - our ACC system, our income structure, GST - all these to put together and you go ‘why would I want to do that?’ And then you still have to pay high tax on top of that!”

A further major concern for some Chinese IERs was that the New Zealand market was so small and isolated: *"The market too small. The market virtually didn't exist. I had to create it myself. Even today my business virtually gets nothing from New Zealand, it is all from overseas."* As Duncan et al. (1997, p. 30) pointed out "there may be questions of critical mass. ... Even if the number of Hong Kong, Taiwanese, or Koreans living in New Zealand continue to grow it is hard to see them becoming a significant market or source of production (of goods or services) either in an international or regional context." With this in mind, some Chinese IERs reflected on the need to look overseas for greater opportunities *"If you were going to make money you would go to Canada, you move to America, you move to Australia."*

6.3 Cultural Profile

6.3.1 Personal

Life Perspectives

The case analysis identified a desire for independence among half the Chinese IERs, as in *"the feeling of owning a business gives me more pleasure than working for someone else,"* which has strong correlation with the business driver of autonomy (as discussed in the business profile). Elliott and Gray (2000) stated that the family as an entity takes precedence over its individual members, which would suggest independence is somewhat curtailed by family obligation. Chinese IERs values and beliefs were not strongly influenced by religious affiliations, as few spoke of the importance of faith (n=2), a finding confirmed by a commentator in saying that religion is not important to Chinese life.

Business perspective

Chinese IERs' achievement orientation reflected a strong 'internal locus of control' among most entrepreneurs (n=7). They were very proactive in setting goals (n=9), which was expressed quite succinctly by one IER stating *"absolutely, no goal no good."* They did not always conform to preconceived New Zealand canons of business but rather the Asian business norms, as one IER said *"certainly there is a huge difference. It's because of the strong work ethic in Asia and very busy, fast moving lifestyle in Asia compared to the*

laid back style in New Zealand. Chinese IERs talked of preferring to be challenged in business (n=5) and generally showed determination to succeed in whatever they did - despite any obstacles *"I think that has been passed on down the years, you know, it's just the sheer grit and determination to succeed."*

With respect to strengths and weaknesses, Chinese IER saw interpersonal skills as a strength (n=5), also their technical (n=4) and organisational (n=3) skills were seen as strengths. Ng referred to a comprehensive range of strengths in saying, "In running their businesses they show common attitudes and strategies - hard work and single minded devotion to building their business, comfort with risk taking, strong ethnic community links and values, fresh perspectives on business opportunities, tight deployment of resources, concentration on market niches and close ties to their customers (who frequently are members of their own community)" (2001, p. 18). Chinese IERs rated limited management skills as their main weakness (n=3): *"I am a very hard person to work for,"* but overall they referred to strengths with more regularity - which may suggest a level of confidence in their own business ability.

Work ethic

Work ethic was revealed as a prominent feature for all Chinese IERs, as the descriptors 'hard working' (n=8) and 'long hours' (n=10) were the most common themes in this category. Typical comments were *"I would get up at six in the morning and I would catch a bus to the city on the seven o'clock one to my university. My lectures start at eight in the morning for two hours I finish at ten, then I catch a bus back to Takapuna, I open my shop at ten thirty and then I close my shop at five thirty and then I shoot back to town and 6pm class to 9pm class and, you know, I have my dinner maybe at nine thirty - ten o'clock at the local food court just before they close, catch a bus about ten fifteen gets home about just before eleven because there is a bit of distance to walk. So did that for four and a half years. The hours were quite long, then, when I finish university, you know, I was still putting in maybe similar sort of hours but purely concentrating in business."* Family role models had a strong influence on their attitude to work (n=7) and long hours were often necessitated through a lack of capital or low earning potential. Hiebert (2003), in citing Wong and Ng, confirmed that entrepreneurs of Chinese

origin worked long hours and achieved low profit rates. A commentator, however, felt that too much emphasis was put on the ethnic factor. When asked about the Chinese work ethic said *"yes, but they have also got black hair too. Those kinds of generalisations I don't accept any more. Sure they are and by the same token people say they are very law abiding too. It is not necessarily the case. I think there are numbers of them that come over here who feed off our welfare system. But that's not just restricted to Chinese."* Furthermore, it has been argued that rather than any particular ethnic predisposition, the 'migrant factor' was the driver of immigrants' work ethic, as they search for social advancement as part of the migrant transition (e.g. Benson-Rea & Rawlinson, 2003; Whybrow, 2005). Yet consistently the literature also confirms the strong work ethic of Chinese migrants (e.g. Li, 1993; Ng, 2001).

Generally the Chinese IERS were aware of the trade-offs that were required for working long hours (n=6): *"Yes relationship wise it was quite difficult to do anything because the business tied you right down to the point where you don't have much spare time or opportunity to do anything else. So yeah, I sacrificed a lot to see this business through to be successful today."* The impact of Chinese IERS' strong work ethic did manifest itself in high stress levels (n=7), although they tended to deflect the reasons for stress onto business interpersonal problems such as managing staff and customer problems.

6.3.2 The Family

Dynamics

Strong New Zealand family focus was evident among all second generation Chinese IERS, whilst 'new' Chinese IERS had often arrived solo hence that strong family connection was directed to their homeland *"the Asian background that our parents provide us - not just education, not just a place to live but the Asian family is more closer and they will actually support one another."* Although Chinese IERS were positive about extended family² relationships (n=4) they did not feel a strong sense of obligation to extended family and viewed this as less important than immediate family. The literature in contrast does

² Elliott and Gray (2000) cited Pollock, Elliot and Gray as referring to extended family as: related by blood or adoption, or often no-kin or distant kin that are informally adopted into the family network.

highlight the importance of Chinese tradition of extended family loyalty and mutual obligation (e.g. Dana, 1995; Li, 1993), especially with regard to raising capital and as an informal source of labour. To this end IERS did speak of the value of family business connections.

The case analysis identified a prominence of male Chinese IERS and the findings concluded that the cultural elements of parental dominance were a strong factor. There were reflections on the prominence of fathers being head of the family and the need to respect parents. As one commentator confirmed, Chinese family dynamics was based around respect, male line and parental authority. Elliott & Gray (2000) confirm that Chinese descent and authority is recognised only through the male line and that there is a pattern of hierarchical and tightly knit family structures. They went on to say that traditionally, important life choices such as vocation or marriage partners were made according to the family's rather than the individual's wishes - although this is changing. Finally Elliott and Gray argued that those relationships between family members were not based on mutual love and equality, but on filial piety characterised by benevolence, authority and obedience. It was, therefore, not surprising that Chinese IERS related the importance of the transfer of traditional Chinese values from their parents (n=7) and the importance for themselves of family teamwork and the educational and personal development of their children. The Chinese family systems appeared orderly, disciplined and structured around the progression of the next generation. A commentator suggested that a Chinese philosophy is *"life is about the future of their children."*

Business connections

All Chinese IERS had some sort of family member involvement in their businesses (n=8) when there was family in New Zealand. Chinese IERS stated that they preferred some family involvement (n=6) from both family benefit and business benefit perspectives, which reflects the literature on family's usefulness as an informal source of labour (Dana & Dana, 2003; Elliott & Gray, 2000; Min & Bozorgmehr, 2003; Ng, 2001; Salt, 1992). Furthermore, Duncan et al. (1997) in referring to a study of Chinese and Indian communities of Brisbane and Sydney, said that business success was rooted in family cooperation. Some Chinese IERS (n=4) did have mixed feeling about family involvement in referring to the challenges of matching the business and family dynamic. A commentator suggested that extended

family in China can also be a source of business relationships as they would prefer to transact business through family than unknown business people.

Commonly Chinese IERS had their spouse working in their businesses (n=6) and they highly valued their input, while three were unmarried. There were few occurrences of succession (n=2) and generally a low expectation for children to take over the business. As a commentator said the business is established for the protection of the children. They use the business to raise and educate the children *"when I was growing up the number of Chinese market gardens was tremendous - but now only three are left and that's happened because they raised their children, they went to university and left."*

Expectation for children

There was evidence during the case analysis of the children of Chinese IERS having involvement in the business, although this was always secondary to their children's educational development - as they understood the importance of education. As Ng reporting on the established Chinese community identified, "a high proportion of young New Zealand-Chinese of rural Cantonese descent go to University today at two to three times the rate for the total population" (2001, p. 11). Of the new migrants Ng went on to say that their children were growing up to become school duxes, win scholarships and enter university specialist schools. Commentators stated that the push of Chinese parents was for their children to receive higher education so they had the opportunity to move into professions or other realms of business, as one said *"if you look at it, 'what is the purpose of my life,' it is to bring up my children so that they can do better than I have done."* From the children's perspective a commentator suggested they feel huge pressure to do well because of the sacrifices of the parents and that they are not more intelligent than other New Zealanders - just put in the 'hard yards' because it is expected. A Chinese historian (Scott, 2007) perhaps summed up the Chinese philosophy by saying "I can leave you land but it can be taken away from you. I can leave you a house but it can be taken away from you. I won't give you anything but education because it is something no one can take away from you."

6.3.3 Ethnic Community

Links

Chinese IERS emphasised the importance of a connection to the New Zealand Chinese community (n=9), although in four cases their engagement with the community was rather limited, and in other cases they only engaged with small pockets of community members. The narrow focus was a consequence of Chinese IERS' indication of a lack of ethnic cohesion (n=6). This was typified by Chinese from long established families differentiating themselves from the new class of recent immigrants: *"Established Chinese community don't really associate with all that sort of thing. Because we see ourselves as quite different and distinct from that part of the Chinese community [new immigrants] if you like."* As Ng (2001) confirms, from 1986 a considerable number of new migrants arrived and were unrelated to the 'Kiwi' Chinese. The new Chinese came for an easier life style and education, as opposed to the 'established' immigrants who were determined to acquire wealth and utilise their talents to prove themselves and regain control over family destinies. A commentator argued that 'established' Chinese have become annoyed at 'new' Chinese brashness, but also that the 'new' Chinese also adopted an arrogant attitude towards established migrants and regarded them as somehow less Chinese. Hence, an inevitable consequence of the new immigration has been the establishment of two New Zealand resident Chinese communities. Shueng (2002) states that Chineseness for Chinese born in New Zealand is a different feeling from those Chinese who are born in China, Hong Kong, Taiwan, Australia, America etc. Fernandez and Kim (1998) also spoke of intra-group differences around gender, marital status, length of residence, and English proficiency. A commentator did comment on a strong commonality among established Chinese in saying *"I think it is strongest amongst 2nd and 3rd generation. Even though they don't know each other, they came from the common root stock of the people who came over here and paid the poll tax. And that's a very strong thing and has been strengthened by the New Zealand Government apology and setting up of a trust that is there to provide funding for education and to remind Chinese of New Zealand of their roots."*

The literature suggests that the Chinese community are often associated with employing within their own ethnic community and outside recruitment is often rare (e.g. Guerassimoff,

2003; Thuno, 2003), however, this was not an outcome of Chinese IERs in this case analysis.

Chinese IERs' connection with the broader New Zealand community was not prominent in the case analysis (n=3). For example, one commentator confided Chinese are reluctant to have children marry Pakeha, which may suggest there is still a level of separatism in the New Zealand society infrastructure. On the other hand a commentator also gave examples of the increasing profile and greater leadership role of Chinese in the broader community and political arena, which would suggest a paradigm shift may be underway in New Zealand.

Characteristics

The case analysis found that Chinese IERs believed that the Chinese community had some identifiable characteristics. They identified the trait of respectfulness (n=5), and the retaining of a unique cultural identity (n=5). Overall it was difficult to identify a Chinese immigrant profile because of the diversity of geographic and historical migration. For example, a commentator highlighted the importance of respect within the Chinese community, while Ng (2001) identified the deep-rooted cultural traits of indirectness. Commentators also argued the changing profile of Chinese in New Zealand by saying *"new immigrants are a lot more vocal, brash, not afraid to rock the boat. Old migrants kept their heads down and minded their own business."* In conclusion, Giese (2003) asserted that Chinese are not homogeneous and that there are distinct groups of migrants who are only loosely connected.

Business strength/weaknesses

In discussion of how ethnic characteristics translate into business strengths or weakness, Chinese IERs focused on what they perceived as their ethnic business strengths rather than their weaknesses, which reflects their high level of business confidence. Work ethic (n=7): *"The Chinese people are hard working people,"* and culturally grounded characteristics (n=4): *"I think in my genes there is still the drive, you know, of how the Asian people do their things,"* were viewed as the major business strengths. Li (1993) agreed with the cultural strength theory in saying that the primordial Chinese culture of industriousness, perseverance, frugality, familism and cultural affinity are conducive to business

development, whilst a commentator suggested that the Chinese are high achievers because they had to prove themselves.

Chinese IERS viewed lack of knowledge in engaging in business as sometimes being a weakness (n=5), while 'new' Chinese IERS identified language as a limiting factor (n=5): *"I think it mainly depends on the language barrier. They tend to go to business that is less verbal communication, written communications."* But as mentioned before Chinese IERS tended to focus on strengths, therefore overall the case analysis would suggest that Chinese work ethic and cultural traits were significant sources of competitive advantage in entrepreneurial activity.

National Identity

As Chinese IERS in this case analysis had a definite established and new generation split, there were identity differences within the data. Although all were New Zealand citizens, with four born in New Zealand, many had a mixed sense of identity (n=6). Comments about their identity were made such as referring to themselves as *"New Zealand Chinese,"* while four new Chinese IERS had a preference for retaining their homeland identity. They often appeared to live in both worlds, and IERS referred to the term 'bananas' to explain a Chinese-westernised lifestyle (as discussed in the settlement profile). Furthermore 'new' Chinese IERS had become New Zealand citizens on the one hand and retained their unique cultural identity on the other. Chinese IERS also commented about their differentiating characteristics such as accent or colour acting as a divider in New Zealand society *"I myself can never be 100 percent Kiwi. Um, my English accent is not Kiwi."* Ng (2001) agrees that acting against assimilation was the usually unspoken but real barrier of skin colour. As a commentator said *"Chinese will always be Chinese-New Zealanders because it is a visible thing, while Europeans next generation are New Zealanders."* But Ng also went on to say that family expectation of the retention of customs and language was an important aspect of Chinese identity. It can, therefore, be argued that even though New Zealand nationality has been taken and adaptation has occurred in many areas, full integration into New Zealand society has not occurred and in fact the Chinese community had maintained their distinctive identity in New Zealand society. This certainly reflected the perceptions and actions of the Chinese IERS in this case analysis.

Language

Language was also linked to identity and generally the Chinese IERS spoke of the emphasis on the homeland language (n=7) and reflected a strong theme of bilingualism (n=6) in *"I've been, we've been teaching them both Chinese and English."* A commentator conveyed the importance to Chinese families of the language transfer to children. However, another commentator suggested that at a community level language is not always a connector (with Mandarin and Cantonese speaking Chinese) and that links between established and new Chinese were, therefore, through English.

6.3.4 Homeland

Personal connections

New Chinese IERS all had strong personal connections to their homeland family and friends, while New Zealand-born Chinese IERS had little or no connection (n=4). None of the Chinese IERS, established or new, spoke of the need to support family in their homeland, which is contrary to the literature such as Elliott and Gray's (2000) assertion that homeland extended family obligatory ties remain strong. This may be because of the lack of ties with China for the established Chinese IERS as in *"we are a bit removed from that now"*, and new Chinese IERS come from a more affluent background - therefore, feel no need. New Chinese IERS did, however, regularly visit their homeland and two even expressed an intention to return permanently. The case analysis did identify an underlying psychological connection for most Chinese IERS, established or new. A commentator best expressed this view of all generations having a connection with China, in saying *"there is awareness in the same way as English people look at England as still being the mother country. I don't think Chinese are any different at all. I feel a tug to China. I was born here and lived here 65 years but when I went back to China to find my roots there, there was a feeling - very difficult to put into words - an emotion there that is very difficult to explain."*

Business connections

Among Chinese IERS there were significant homeland business connections (n=5) and future intentions - the highest of any of the four groups under study. Similar results have also been identified in other countries (e.g. Duncan et al., 1997; Fernandez & Kim, 1998). This reflected a strong family and community connection (as discussed previously), and as

one commentator stated in referring to the booming Chinese economy “that is the future, where the wealth will come from.”

6.4 Business Profile

6.4.1 Drivers

Financial versus Personal

Financial considerations - specifically material rewards and security (n=6) - were business drivers for Chinese IERS. As a commentator suggested, wealth equals status and standing for the Chinese. Some Chinese IERS did, however, point out that striving for personal wealth beyond achieving financial security was not as strong a driving force. Some, in fact, indicated that the desire to establish a sustainable business was paramount (n=4).

Self actualisation was a very prominent driver among Chinese IERS. The personal need for autonomy rated highly (n=7), as they were independently minded and didn’t like being dictated to, as in “I don’t like people telling me what to do.” A commentator confirmed that independence was a strong motivating factor for Chinese going into self-employment and that it was part of their culture, in saying: “That kind of independence has always been very much part of the Chinese way of doing things.” Some Chinese IERS spoke of a need to be challenged (n=4) and grow personally (n=4) in “personal success for me is feeling stimulated, being challenged and feeling that I am growing,” and the material motive came from the perspective of their desire to be rewarded for their efforts (n=7) as opposed to it being the goal itself.

Gaining a better quality lifestyle for themselves and their family was identified by only four of the Chinese IERS as impacting on their desire to go into business. Interestingly this result was significantly lower than the ‘quality of life’ migration driver. This may be because of Chinese cultural acceptance of hardship as simply a reality of life whether in business or not, or that natural New Zealand conditions such as clean green and personal freedom were perceived to have improved their quality of life already and those other business drivers held prominence.

External catalyst

The case analysis identified little evidence of ‘forced’ entrepreneurship (n=1) and in one case it was to meet migration criteria rather than through adversity: *“My background to come here is based on the Business Investment Category, so that is part of the obligation - I have to establish some business to fulfil the immigration criteria.”* However factors of disadvantage such as language, discrimination and employment dissatisfaction influenced some levels of decision making among the Chinese IERs in this case analysis. These issues were certainly raised in the literature as drivers to self employment (Fernandez & Kim, 1998; Hiebert, 2003; Le, 1999; Min and Bozorgmehr, 2003), whereas the study of Asian business owners in Britain by Basu (1998) refutes the forced entrepreneur hypothesis, stating that the overwhelming motivation was a desire for independence and financial prosperity, as already discussed in the previous section. Job dissatisfaction was, nevertheless, raised by Chinese IERs as a reason for going into self employment (n=4), as in *“I don’t want to go to look for jobs for small pay only to do, you know, some labour work. So I prefer to work things for myself.”* A commentator suggested that this is a historical trend which dates back to the gold mining days when Chinese who were unsuccessful in mining resorted to running their own businesses such as laundries and fruit shops.

The emotional, financial and labour support of family (n=4), although raised by some Chinese IERs was not a strong catalyst to business activity, similarly help and interaction with colleagues and friends was referred to by Chinese IERs (n=3) but not as a significant business catalyst.

Hiebert (2003) suggested that labour, access to capital, and demand for cultural products, were fertile backgrounds for entrepreneurial activities. To this end, Chinese IERs (n= 6) had an ability to seize opportunities when they were presented. In seizing opportunities there was often identification of niches and resources within their community – ethnic or multi-cultural.

6.4.2 Learning

Academic

The case analysis identified that the majority of Chinese IERs, ‘new’ or New Zealand-born, had completed some form of University (n=5) or Polytechnic study (n=3). Predominantly this higher education was of a non-business nature (n=6), but one IER had both: “Actually I was trained as a bio-chemist, so I ended up with a MChem in bio-chemistry and then I did a bachelor degree in commerce as well.” Commentators also agreed that the new wave of Chinese in New Zealand were highly educated. Chinese IERs in the case analysis had overall higher levels of University qualifications than the general Chinese population, which was already significantly higher than the New Zealand population, although vocational qualifications were lower than the New Zealand average (Table A1). A study of Asian owners in Britain (Basu, 1998) shows a strong association between the level of educational qualifications and business success. Basu suggests one reason for this may be that education contributes towards lifting the entrepreneur’s internal resource constraint by improving the communication skills required to negotiate with bankers, which in turn, may help remove external financial constraints. A further possibility is that education may also enhance the entrepreneur’s analytical capabilities, which are needed to establish and manage expanding businesses. However, there were comments by some China IERs of problems with their homeland qualifications ‘fit’ in the New Zealand work context. Consequently half of the IERs were involved with some form of post business start-up education in New Zealand.

Table A1: Chinese Immigrant Education
(Resident population aged 15 years and over, 2001)

		Chinese	New Zealand Population
Highest Qualification	University degree	20.2 percent	10.9 percent
	Vocational	9.5 percent	18.3 percent
	School quals	47.5 percent	35.7 percent
	None	13.7 percent	24.6 percent
	Not stated	9.1 percent	10.9 percent

Source: Statistics New Zealand. 2001 Census. Wellington.

Practical

The Chinese IERs had significant practical experience, coming from positions of being previously employed in the industry of their entrepreneurial activity or having some other

in-depth industry knowledge (n=7). They believed that there was a need for considerable 'learning on the job' once they engaged in self employment (n=8). The perception of Chinese IERS was that practical experience exceeded the importance of business education, as a prerequisite for their entrepreneurial activity (n=8): "I think I am probably using only 20 percent of my studies on my work now, so 80 percent is from my work experience. I mean theory is theory – you have to see some reality." IERS did, however, rate formal education highly – as reflected in their formal education levels.

External support

In addressing the academic and practical needs of setting up and running their businesses, Chinese IERS generally used some form of professional support. Accountants (n=8) were highlighted as the most prominent professional, whilst other business professionals such as lawyers were also used (n=4). Some reference was also made to a mistrust of professionals (n=3). According to a commentator they do recognise the value of professional help but it is a matter of trust "It goes back to how do you develop the trust to take on board the advice you have been given. So there may be an element of natural suspicion – 'I take your advice with a grain of salt'."

Spouse input and skills (n=5) was also rated highly by some Chinese IERS, as were business colleagues (n=4) whom they could call on for advice. With respect to role models few Chinese IERS (n=5) spoke of them being influential in their lives, and acting as a role model was viewed by two Chinese IER as simply an unexpected outcome of their business profile.

6.4.3 Finance

Financial practices

Chinese IERS recognised the need to be responsible and organised with money matters (n=6), beyond that, they displayed a level of privacy in talking about financial practices. Ng (2001) referred to Chinese propensity to tightly deploy their resource and live frugally, while Dana (1995) spoke of the high propensity to save and reinvest their business earnings. Both writers reflect the general consensus of financial prudence among the Chinese, and as one IERS confirmed "you have always got to put money aside for the

future. It's like from one day to the next you don't know what is going to happen with the economy."

Access to finance

Within the context of this case analysis, Chinese IERS capital raising often occurred in the context of personal or family money (n=6), as in: "We borrowed the money from China, from my parent and my sisters, so it is a kind of investment," and a second generation IERS said "when we first started up I basically went around the family members with cap in hand and said what I am doing and does anyone want to participate. That was all right and that made things a lot easier. I guess it's like a form of capital raising among the family, you know, and that kind of reduces your exposure a little bit." Elliot and Gray (2000) confirm that in East Asian countries parents and siblings may feel obliged to lend money to individuals, while Basu (1998) in a study of Asian business owners in Britain stated that Asian entrepreneurial entry depends quite significantly on the access to internal or informal rather than formal finance. Also Duncan et al. (1997) referred to capital for New Zealand immigrant businesses originating overseas. Three IERS, however, stated that they needed minimal capital to start their venture, so financing wasn't an issue. Banks were generally not a major source of finance (n=3); in fact, three IERS discussed the difficulties they had with obtaining funding from banks. Basu (1998) agreed in saying that although most Chinese business start-ups are willing to borrow from banks, many have experienced difficulties in obtaining such financial support. In many respects capital difficulties mirror those of New Zealand entrepreneurs in general, however, language interpretation and a lack of understanding of the New Zealand institutional context did disadvantage some 'new' Chinese immigrants in their dealings with financial institutions.

The Chinese IERS did speak of some financial hardship with respect to cash-flow problems (n=4) and lack of capital (n=4), but they often managed their way through this with their propensity for frugality and working long hours. As one IER summed up the situation by saying "definitely lack of cash-flow was a problem. Cash is king and I couldn't employ people so I had to work by myself to earn an income. And it's difficult when you are earning an income for yourself because you also have to put back to the business, to be able to grow it."

6.4.4 Characteristics

Type

The case analysis would suggest that there is difficulty in pigeon holing Chinese businesses into stereotypes of the past. The literature recorded that historically Chinese in New Zealand entered into market gardening, fruit shops, laundries and restaurants (Min & Bozorgmehr, 2003; Ng, 2001). This historical perspective was also reflected in the comments of commentators, however, this case analysis revealed a current position of a broader distribution of business activities. Chinese IERS were in numerous industry sectors, from biotechnology to cafes and home stay to insurance. This appears to be an international trend, for example, Li (1993) in a Canadian study confirms that there has been a growth in Chinese businesses in professional services. The only parallels with historical evidence were that the dominant activity type for Chinese IERS was still a service industry (n=7), low-medium entry cost, and predominantly operating from 'one site' locations.

Focus

There was a New Zealand market based (n=6) or an international (n=5) business focus for Chinese entrepreneurial activity within this case analysis of IERS. Even in the case of the ethnic food industry the Chinese IERS spoke of targeting the general New Zealand market. Commentators were also in agreement that Chinese business had a New Zealand-European market focus, with one commentator remarking "*in the early days no Chinese would eat in a Chinese restaurant - it is different now.*" Chinese IERS view international markets as important to growth because of the small size of the New Zealand market (as discussed previously), and their links to China provide the opportunities to grow. Thuno (2003) in discussing Chinese business activity in Europe, confirms that there are opportunities for Chinese to engage in import and redistribution, and certainly Chinese IERS spoke of such opportunities in New Zealand.

Development

Chinese IERS generally began with small businesses (n=8), with two having bought established businesses. Ng (2001) agreed in stating that Chinese usually start small businesses. He pointed out that there are few medium or large businesses, and those that do exist are concentrated in Auckland. A social commentator also reflected on the limited

number of Chinese involved with large or national companies in New Zealand. There was some discussion by Chinese IERS of the challenging nature of the business start-up (n=6). Never-the-less Chinese IERS expressed a desire to grow their businesses (n=8) and they did not dwell on impediments to growth.

6.4.5 Philosophy

The discussion of Chinese IERS' business philosophies drew no consistent themes. The most prominent related to: the farm adage (n=3) of 'you reap what you sow.' Benson-Rea and Rawlinson (2003) commented on the Chinese philosophy of relationships in business. They suggested that Chinese business culture is based in trust, and that people appear to be at the centre of such trust-based relationships. For the Chinese, the development of communication paths utilising people take precedent over less trusted sources.

A prominent philosophy among Chinese IERS related to customer relationship focus (n=5). They identified the importance of reputation and word of mouth (n=5) and the importance of quality and suitability of their products (n=5). Ng (2001) referred to the concentration on market niches and close ties to their customers as the business style of the Chinese.

APPENDIX 7

A CASE STUDY OF DUTCH IMMIGRANT ENTREPRENEURSHIP

This Dutch case analysis is part of a broader study of four ethnic groups, Chinese, Dutch, Indian and Pacific Peoples. This case focuses discussion on the nature of Dutch entrepreneurial activity in New Zealand and is based on triangulated research undertaken from September 2005 to May 2007, consisting of: (1) twenty face-to-face or telephone interviews with eleven Dutch IERS; (2) face-to-face interviews, with a Dutch community commentator and a Dutch business commentator³; (3) and a review of the relevant Dutch migrant literature. The case study evidence is presented in a format based on the structural outline of the immigrant entrepreneurship model (as outlined in Chapter Six), where the following four constructs were utilised: migration profile, settlement profile, cultural profile and business profile.

7.1 Migration Profile

7.1.1 Homeland

Geographic origins

The Netherlands is a small Western European country from which migrants were drawn from all parts (Thomson, 1970). Dutch IERS, therefore, came from different districts which were in close proximity to each other (especially when compared to the other three groups in the full study of immigrant entrepreneurship). The only clear distinctions identified within the Dutch community were between city and country people and the provincial loyalties and distinctions, for example, the Catholic Brabant province has distinct differences to the Protestant Zuid-Holland province. The case analysis did, however, highlight a feeling of unity by the Dutch IERS as they commonly referred to the Dutch as one people.

³ Ethnic community and business leaders are referred to as 'commentators' in this discussion.

Residence

The Dutch IERS came from both rural and urban backgrounds. The evidence of the broader study suggested that urban (homeland)-to-urban (New Zealand) migration was the most compatible with entrepreneurial activity. The study also highlighted some examples of rural-to-rural and urban-to-rural success; whilst rural to urban migration was least compatible with entrepreneurial activity. These findings were not an obvious outcome for the Dutch IERS who were from differing histories with regard to homeland background and New Zealand residence (see also Settlement profile/arrival and societal fit). Thomson (1970) confirmed this finding in stating that the Dutch were drawn from all parts of the Netherlands and found in all parts of New Zealand. Commentators also highlighted the differing background of Dutch migration, and their ability to adapt and succeed in numerous New Zealand environments – rural or urban.

Some Dutch IERS pointed out that they had also engaged in overseas travel prior to their entrepreneurial activities (n=4). Travel was with family or as their own personal ‘overseas experience’ *“Mum was a teacher and we lived in Paris for about four years when I was young and then later lived in the States [USA] as an exchange student.”* They felt this added valuable skills to their entrepreneurial activity when they established themselves in business in New Zealand.

Interpersonal/family dynamics

Dutch IERS, overall, came from large families and working class backgrounds. This was similar whether first generation migrants or second generation New Zealand-born, although a commentator did make reference to a financial distinction between the traditional Dutch migrant from the 1940s – 1970s and the newer migrants in saying *“immigrants of the 1950s were a true mixture – often arrived with nothing. The migrants since 1970 are slightly higher and more financially established to re-establish themselves in New Zealand.”*

Dutch IERS often reflected on a childhood in which their parents were very busy (employment). This appeared to be a determinate in the case analysis conclusion, that strong work ethic and sense of obligation to work was a source of competitive advantage for ethnic groups, as in *“they were up at 5.30, they’d be in there at 6, um and they would*

work until 10 at night just about every night" (to be discussed in greater detail in the cultural profile.)

Religious beliefs were identified by half the Dutch IERs as influencing their personal and business lives – especially their work ethic. As one Dutch IER stated "we were brought up with a Christian work ethic and that was that - you are responsible to work hard and you are responsible before God - that you do a job and you do it well, and you do it for Him."

Work dynamics

Dutch IERs had varied homeland family work histories. They generally spoke of their parents coming from a blue collar background, a strong parental work ethic, and having experienced significant entrepreneurial activity within the family. A commentator confirmed that there was an influx of Dutch trades people into New Zealand during the 1950 and 1960s, which translated into the blue collar prominence. Another commentator suggested that later immigrants (post-1990) were more likely to be white collar. Many second generation New Zealand-born IERs reflected on their experience of both parents working long hours (as identified previously) to establish themselves in New Zealand. Schouten (1992 p. 54), in discussing the work ethic of early Dutch migrants stated, "[t]he farm workers created a good impression with their employers; soon there was a clamour from farmers and dairy factories for hundreds more." The Dutch IERs themselves generally came from blue collar work histories, whether that was in the Netherlands or in New Zealand (second generation New Zealand-born). In fact, over half of the Dutch IERs (n=7) had been immersed in blue collar family businesses at some stage in their upbringing "Well I was, from quite an early age. Probably from right when he first started, I would have been involved. You know, working after school and in the evenings."

7.1.2 Drivers

The overwhelming personal driver for Dutch IERs or their parents was the perception that they would achieve a better quality of life "Despite the hardships and sacrifices with leaving our families, we never regretted that we were able to give our children a better

way of life." Post-World War Two the Dutch suffered significant economic hardship and therefore IERS of this era or their parents (n=7) chose to migrate to New Zealand due to homeland dissatisfaction - such as feeling disenfranchised by the war "We got hit very hard from the war," and the housing shortages "Generally children ended up living with their parents until a house came up." Thomson (1970) confirmed that the conclusion of the Second World War precipitated a wave of people leaving The Netherlands, with the migration of thousands of Dutch to New Zealand. Thomson contended that "the legacy of the war and its aftermath left a 'lost generation' whose youth had been shattered by the war and sought a new life in a new environment" (p. 153). A commentator argued that post-World War Two the New Zealand government targeted people who would immigrate well "It was almost a racist thing why the Dutch were chosen, because they looked right and it was felt that they would assimilate easily." Schouten confirmed that race and labour shortages were reasons the New Zealand government sought the Dutch migrants: "There was a desperate shortage of labour and a fear that unless New Zealand increased its population, it was a risk of being overrun by Asiatic hordes. However, Dutch were really only second (or even third) choice, recruited in the absence of sufficient British migrants" (1992, p. 67). Schouten went on to say that the New Zealand Government's immigration policy was a manifestation of the racism and xenophobia of the time.

In discussing the changing migration patterns, Hartog and Winkelmann (2003) suggested that since the late 1970s the per capita growth in The Netherlands has been stronger than in New Zealand. As a consequence, it was a less attractive destination for Dutch migrants motivated by material gain. Therefore other 'quality of life' drivers – beyond monetary considerations - were apparent in recent migrated IERS, as one said: "We travelled around the world for about three years prior. We spent three months in New Zealand during our trip around the world and we liked it so much we came back and it was most of all a big adventure - just the challenge of doing something different. And one of the main things was, like a lot of our friends that had been to university and then they start a career and they come out of the tunnel forty years later and they have all done the same thing. Well not all, but a lot of people just live in Holland, buy a house, have a nice car and that's it. And we thought well there has got to be more to life than doing what everyone else is doing." Schouten, (1992, p. 250) cites migration agent Van de Wal, who

spoke of the “environmentally conscious new immigrants,” that were concerned with ‘green’ issues and who were keen to escape pollution and an overcrowded, heavily industrialised and nuclear energy reliant Europe. Van der Wal also stated that currently life in Holland had so many restrictions, that many people who wanted to be self-employed found it impossible unless they were trained and skilled entrepreneurs. A commentator suggested that present immigrants could see opportunities here they obviously didn’t see in Europe. For example, the pace of life in Europe was different and there were more people everywhere. Schouten (1992) suggested that the modern migrants were mainly skilled and well educated, could speak English, and were able to make their own way. Schouten quoted a migration agent van der Ree as saying “they come because they are looking for a new way of life and a challenge” (1992, p. 251), and added that migration was no longer a cheap option for the poor.

Finally commentators made the following observations to sum up the motivations of the Dutch immigrants: (1) they believed New Zealand was better for raising children and offered a better lifestyle for new immigrants, and (2) for early migrants it was leaving a place they didn’t like, while for recent migrants it was coming to a place they liked.

7.1.3 Immigration

Dutch IERS or their parents arrived in New Zealand with the expectation of being permanent residents. There was a predominance of family migration. Thomson (1970), however, in speaking about the Dutch and New Zealand financially assisted migration programmes (post-World War Two), said that they came solo (as this was a requirement) or as affiliated couples. They would often travel together to gain the advantages of subsidised passage and then marry as soon as possible after arrival. The prominence of family unit migration was also supported by commentator views. A large proportion of these post-World War Two migrants arrived with few financial resources: *“No money, as Holland, poor after the war, did not allow you to take money out of the country,”* also *“they were unskilled, so they provided labour,”* and had little or no knowledge of New Zealand prior to arrival *“to be honest before we came here we thought everybody still ran around in grass skirts.”*

Dutch IERS stated that there were some practical difficulties for themselves or their families in migrating to New Zealand, as in *"New Zealand was a very hard country to get into, so it was a real challenge!"* There was clear evidence of different regulations being enforced in different decades, for example, a comment from 1950's migration was *"you weren't allowed to be married,"* as opposed to the 1990's comment *"then it was a points system and they were very strict with the system."* Hartog and Winkelmann (2003) explained that the migration structure between New Zealand and The Netherlands remained intact throughout the 20th century, but from the mid 1960's Dutch migration had declined and in 1993 the Dutch Government denounced the Migration Treaty. Schouten, (1992) therefore raised the issue of the high cost of migrating today as opposed to the subsidised post-World War Two era, and that the early migrants brought little capital with them, while modern migrants may seem to be comparatively wealthy. The commentators also confirmed this difference between the two eras.

7.2 Settlement Profile

7.2.1 New Zealand Arrival and Societal Fit

Residence on arrival

The case analysis identified that Dutch IERS live throughout New Zealand, including many living in the major cities. Thomson (1970) referred to Dutch immigrants residing in larger cities - in particular the port cities, while Schouten (1992) stated that researchers have found the Dutch to be spread more evenly throughout the country than other immigrant groups. Thomson (1970) also asserted that there were few examples of concentrations of Dutch families in particular suburbs or streets of the large cities. A commentator suggested that new migrants were more rural with the growth in Dairy Farming and the lifestyle opportunities in the rural area, but also agreed that the Dutch community is spread evenly throughout New Zealand.

Employment on arrival

Most Dutch IERS or their migrant parents had jobs arranged prior to arrival in New Zealand, or entered into work quickly on arrival (n=7). Other IERS (n=4) commented on the

difficulties in getting suitable work in New Zealand *"the work situation wasn't that great at the time so the economy wasn't that good."* Furthermore, half of the Dutch IERS or their migrant parents disliked the jobs they did get. Schouten (1992) argued that the reality of current migration is that the Dutch migrant should be prepared to start afresh at a lower status in their trade or profession, and may never achieve the potential they might have if they had remained in the Netherlands. A commentator stated that many Dutch who were disappointed with work opportunities returned to the Netherlands. Hartog and Winkelmann (2003), in contrast, stated that overall Dutch work hard and do well in the labour force. In support of this view, a commentator said that Dutch were generally industrious people and were usually pretty keen to work, so didn't have any problems in getting suitable work. Dutch IERS (n=5) did, however, speak of experiencing some problems with being accepted by New Zealand workers due to their propensity to work too hard: *"So people always made jokes about it that I was so keen to work,"* and *"He found that really confusing because being a hard worker you got stuck in got your work done - they didn't like that they resented it."* This conflict over work ethic was also confirmed in the literature (de Vries, 2003a; Hartog and Winkelmann, 2003; Thomson, 1970). All Dutch IERS had fully integrated into the workforce prior to their business ventures, and thus had all experienced some form of employment in New Zealand. Predominantly this work experience was in blue collar work which again correlated with the general literature. For example, Thomson (1970) found that there was a somewhat higher proportion of Dutch engaged in blue rather than white collar employment.

Social integration

Dutch IERS remarked that they or their families had experienced little difficulty with social integration in New Zealand (n=9). The only area of difficulty was with respect to grasping a different language *"I think I had problems with the language because I didn't speak English that well and because I have also had dyslexia so that was a problem in Holland with the Dutch language, let alone with the English language!"* and interpretation *"After working at this farm for a few weeks, Mr Jamieson told him, 'One day, I will take you to visit the other Dutchman.' Harry still battling with the English language wondered. When was, 'one day?' He had learned Monday, Tuesday, Wednesday and so on, but when was 'one day?' He asked the other working boy who said, 'you know, one day.'"*

Harry was none the wiser." Thomson (1970) also confirmed that apart from the language difference the Dutch resembled the New Zealand Pakeha and in many respects assimilated easily into this country's New Zealand/European culture. Half of the Dutch IERs had also experienced some level of discrimination, as in *"there was a bit of prejudice in a way. Because I worked in places where people said 'you've got our jobs.'"* Integration was on a nationwide basis as the Dutch made little attempt to cluster (Hartog & Winkelmann, 2003).

Overall the majority of Dutch IERs were satisfied with their own or their family's settlement in suggesting that it was a very natural process. Schouten, (1992, p. 72) quoted the 1954, Internal Affairs Department report: "The Dutch seem to have a positive and conscious drive to assimilate. Many even refused decisively to read the Dutch newspapers, or join a Dutch club lest it should affect their assimilation. They seem to have the same fierce energy to succeed in this as to succeed in their material affairs." The social commentator also confirmed that the Dutch integrated well, with one commenting that the Dutch liked New Zealanders and vice versa.

7.2.2 Societal Perspectives

New Zealand characteristics

The case analysis did not identify any clear pattern in Dutch IER opinions about New Zealanders, except for the laid back approach of many New Zealanders. IERs had mixed views on the benefits of such a casual or laid back attitude. For example, one Dutch IER stated *"that's very much a cultural difference- time. You say to a New Zealander come at six and they'll come at seven. You say to a Dutch person be here at six and they will be there at ten to six. I find that difficult to deal with,"* while another said *"like back in Holland if you see what people make a fuss about, little things that are so unimportant in life. That's what I like about New Zealand - just more laid back attitude."* A commentator also agreed that New Zealanders were more easy going but not so punctual, which could frustrate the Dutch. Schouten confirmed: "In Holland somebody's word is their bond. If they say something will be done or a meeting will be at a certain time then it happens. But in New Zealand if people miss an appointment it is not so important" (1992, p. 250).

Overall Dutch IERS felt that New Zealand was a good society to live in and loved the country (n=9) *“Absolutely, love it, couldn’t live anywhere else.”* A few IERS commented positively on enjoying the clean, green environment (n=4), but these were mainly recent immigrants. Schouten (1992) agreed that new migrants spoke of the green factor and appreciating the space for their children. This was also supported by commentators who also argued that earlier migrants were more concerned about the financial and career opportunities New Zealand offered. The Dutch IERS had few negative comments about New Zealand. This did not mean that there were no settlement issues for the Dutch, as Schouten (1992) pointed out that 1950s New Zealand society was intolerant and suspicious of ‘foreigners’ and their new ideas. Schouten believed that it was a society that welcomed immigrants but in strict terms – they had to become integrated. To this end the Dutch appeared to fit well, whereas other ethnic groups in this case analysis came up against xenophobic attitudes. As confirmed by Thomson (1970) stating “[i]n the eyes of New Zealanders Dutch migrants appear most acceptable additions to society.” Even today this desire to fully integrate differentiates the Dutch from many other ethnic migrant groups.

What they bring to New Zealand society

Dutch IERS did not believe that the Dutch brought anything of cultural significance to New Zealand society – which may reflect their assimilation mindset. Schouten (1992) went as far as to say that the Dutch have never felt that their culture is worth exporting. On the other hand, commentators did believe the Dutch brought industriousness and a hard working mindset, as well as some culture in the form of food and traditions – which reflected their unique European influence.

7.2.3 Business Integration

Level of business activity

New Zealand census data (Statistic New Zealand, 2001a) indicated that Dutch self-employment was significantly higher than the New Zealand average. The census figures identified that 10.3 percent of Dutch were self-employed with staff (7.5 percent New Zealand average), while the figure increased to 19.1 percent when including self-employed without staff (12.4 percent New Zealand average). With regard to their entrepreneurial propensity, Collins (2003) Australian study identified that Dutch have a 50 percent higher

presence as entrepreneurs than Australian-born. Schouten (1992) spoke of Dutch people in New Zealand displaying characteristics of hard work, initiative and thrift (as discussed in detail in the cultural profile) which makes them extremely entrepreneurial. The census did, however, reflect on a lower overall New Zealand annual income for Dutch peoples of \$17,100 (\$18,600 New Zealand average). This lower income may be a consequence of the migrant earning disadvantages as discussed in the previous chapter, but may also be a driver to self-employment. Therefore, affirming Hartog and Winkelmann's (2003) comment regarding the disproportionately high levels of self-employed among immigrants as reflecting their social disadvantage.

Supportive/unsupportive factors

Dutch IERS commented on the comparative ease in establishing businesses in New Zealand (n=7) *"I think it is a lot easier here than in Holland."* The commentators stated that the Dutch believe New Zealand is a good place to go into business, as it is much easier and less costly than setting up businesses in the Netherlands. There was some discussion of the unsupportive regulatory environment and compliance costs (n=3) *"My husband and I are very tired. One and a half years of running a business, the hours we have done have taken its personal toll. I sometimes feel like we are a charity institution for the government,"* but few consistent concerns.

7.3 Cultural Profile

7.3.1 Personal

Life perspectives

The case analysis identified a high desire for independence among Dutch IERS (n=9) *"So it goes back to me and where I perceive I want to go and make my decisions,"* which has strong correlation with the business driver of autonomy (as discussed in the business profile). This independent streak was highlighted by Elkin and Inkson (2000), in reference to Hofstede's study of national cultural characteristics, which identified the Dutch as strongly individualistic.

Half of the Dutch IERs stated that their values and beliefs were influenced by religion. They spoke of their faith influencing their strong work ethic – as identified previously, and the need for thankfulness “you need to stop sometimes and say thank you for all the things that actually happen.” They highlighted the need for Christian values in business “the Christian values ... that’s being fair and trying to understand people and do a good job, that’s really important.” In a similar vein, Hunter (2007) made reference to the work of German sociologist Max Weber in arguing that, for many Dutch, the link between religion and enterprise was a product of Protestant values - with its emphasis on thrift, rationality, diligence, and a sense of calling. Another example is Schouten’s discussion of Dutch religious values, where reference was made to a successful New Zealand Dutch IER’s priorities of “church, family and work – there is no room for anything else” (1992, p. 167).

Business perspective

Dutch IERs’ achievement orientation reflected a strong ‘internal locus of control’ (n=10), and was reflected in Dutch IERs comments such as “when you are self employed, at the end of the day you can actually dictate your own destiny,” and “I have always been brought up - you sort of get stuck in and do it yourself.” Dutch IERs also talked of desiring challenges in which they could succeed (n=5). They did not always conform to preconceived New Zealand canons of business. They were reasonably proactive in setting goals (n=6) “Yeah, we’ve got some very specific goals and plans in place - we adjust them all the time as well,” but some Dutch IERs did not see the value in goal setting (n=3). They showed determination to succeed despite the challenges they faced (n=7), as was evidenced in the comments of an IER who experienced a setback, “but this only made us more determined to stick it out together.” Determination was also a prominent characteristic in Schouten’s (1992) research, while Thomson (1970) spoke of the Dutch ability to be diligent - which can be a function of determination.

With respect to their strengths and weaknesses, Dutch IER saw technical skills as a strength (n=6), while their interpersonal skills were seen as either a strength (n=6) “I like people and that interaction with people, I feel, is my biggest skill,” or alternatively as a weakness (n=5) “I still think that my personnel skills, that to me is a key component and I feel I need more training in that to do it effectively.” They also rated limited management skills

as a definite weakness (n=5). The Dutch IERS referred to their business strengths with more regularity than their weaknesses, which may suggest a high level of confidence in their own business capability.

Work ethic

Work ethic was revealed as a prominent feature for all Dutch IERS, as the descriptors ‘hard working’ (n=9) and ‘long hours’ (n=10) were the most common themes in this category. Typical comments were *“we’ve worked our butts off!”* and *“just working hard, we like working hard.”* Family role models had a strong influence on attitude to work (n=10) and generally Dutch IERS had strong personal work ethics (n=7), which often compensated for a lack of capital to start businesses. The commentators reflected on the industriousness, strong work ethic of Dutch immigrants – particularly those in business for themselves. One commentator stated that this was recognised more by the New Zealander than the Dutch, as for them (Dutch) it was more ‘that is the way it is.’ The literature has argued, however, that rather than any particular ethnic predisposition, the ‘migrant factor’ was the driver of immigrants’ work ethic - as they sought social advancement as part of the migrant transition (e.g. Benson-Rea & Rawlinson, 2003; Whybrow, 2005). This is supported by the Hartog and Winkelmann (2003) claim that the Dutch in New Zealand worked substantially more hours than the Dutch in the Netherlands. Regardless of the origin, consistently the literature confirms the strong work ethic of the Dutch as an immigrant group (de Vries, 2003a; Hartog & Winkelmann, 2003; Lane, 1972; Schouten, 1992). Many New Zealanders have, however, struggled with the Dutch work ethic trait, as Lane (1972, p. 30) stated, “rightly or wrongly, the Dutch immigrant in New Zealand has a reputation for hard work, but at the same time is regarded with some suspicion because he seems to prosper so quickly and because he disturbs the equanimity of his New Zealand workmate.” This type of reaction is supported by de Vries (2003a) in a case study of an industrious Dutch immigrant whose New Zealand workmates regularly hid his tools to reduce his productivity.

Generally Dutch IERS expressed their enjoyment of working (n=8) and were accepting of the trade-offs that were required from working long hours (n=6) *“I mean I’ve worked weekends and nights for the last few months and that’s been a bit um; but I love what I do.”* The impact of Dutch IERS’ strong work ethic did manifest itself in high stress levels

(n=8), which were brought on by interpersonal and business problems. As a consequence, some Dutch IERs did comment on their desire to work less hours (n=4). The strong work ethic did, therefore, appear to impact on Dutch IERs having higher stress levels (n=8), although they tended to deflect the reasons for stress onto such issues as interpersonal or business relationships such as problems with customers or staff.

7.3.2 The family

Dynamics

Family focus was evident among Dutch IERs *"my family is very important to me - my kids are very important to me,"* and also emphasised the importance of family businesses (n=6) *"families really important, so you work to support a family and you do that well."* Some were indifferent to or critical of extended family dynamics, feeling no real sense of obligation beyond immediate family. Commentators also agreed that immediate family business connections were very strong within the Dutch, but that they were not so connected to extended family networks. As one commentator stated *"with respect to extended family, compared to Chinese and Pacific Islanders, they are far less connected."*

The case analysis identified a mix of male and female Dutch IERs, and the findings concluded that the cultural elements of male line dominance was not such a strong factor. The case analysis highlighted the importance of family teamwork and the development of independence in their children. Dutch IERs also reflected on the importance of the values transferred from their parents with respect to their entrepreneurial development (n=10) *"The most important skills are the ones I was brought up with by my parents,"* and highlight the value transfer of work ethic of their parents as most important (n=9).

Business connections

As already alluded to in the previous section, the connection between family and business is very important to the Dutch. All Dutch IERs had some sort of family member⁴ involvement in their businesses. Furthermore, most Dutch IERs stated that they preferred

⁴ Schouten (1992) stated that when referring to family, the Dutch also include those married into the family.

some family involvement (n=6) *"She's not actively involved on a daily basis at all and I don't think she ever will be - I'd like her to be, but she doesn't have to be - you know,"* although this did not necessarily include extended family. Three IERs were, in fact, totally opposed to any extended family involvement. The literature reflected on the family's usefulness as an informal source of labour (Dana & Dana, 2003; Duncan et al., 1997; Elliott & Gray, 2000, Min & Bozorgmehr, 2003; Salt, 1992). Certainly within the **current** study spouse and children's participation was common. Schouten (1992) also gave frequent examples of family members playing significant roles in sharing the work and the rewards of the prosperity created through family businesses. Half of the Dutch IERs, never-the-less, did speak of the challenges faced in matching family and business dynamics *"the biggest challenge is to be a mother as well as a business person."*

Commonly Dutch IERs had their spouse working in their businesses (n= 6) and IERs valued their input highly, as in *"absolutely couldn't do it on my own, no way I'd be here."* They reflected on the important dynamic it brought to the business and how important it was as a source of support.

Expectation for children

As discussed earlier there was evidence of Dutch IERs having their children involved in the business, although they saw this as secondary to their desire for children to be independent and successful (n=8) *"that's their call in the end, it's my job to give them skills to make up their own mind and be happy with their decisions - it's their life,"* and *"I would like them to go and do work for other people first,"* as opposed to being bonded to the family *"I don't want to involve the children in the business because I want them to live their own lives."* Dutch IERs also understood the importance of education for their children, but only half considered a truly academic option as preferential. As a commentator suggested the Dutch expect their children to be educated so they can do better than them, but more importantly they try to motivate their children to do well in life. That can take many forms – not necessarily academic.

Dutch immigrant entrepreneurship was identified with high levels of succession (n=6). Although Dutch IERs suggested that there was not a family expectation of succession (n=8),

but where it occurred they welcomed the children's involvement. A commentator suggested that there is a mix of family involvement and children going their own way, while another commentator encapsulated the position by saying *"they motivate their children to do well and whether that is taking over the business or whether that is something else; from what I have observed they just want to see their children do really well."*

7.3.3 Ethnic Community

Links

Many Dutch IERS (n=8) spoke of having little or no connection with their ethnic community. Two had no involvement *"I'm not involved with it at all. My parents never wanted to be,"* and limited participation in six cases *"we used to play cards every Monday night before we started this business and we did a lot of things with the Dutch club, but we honestly don't have time for any of that at the moment,"* also *"I belong to the Netherlands Society. Unfortunately I don't have a chance to go to their meetings."* Although there were provincial and urban/rural differences (Schouten, 1992), the Dutch IERS did not comment on any sense of separation within the New Zealand Dutch community. In fact, for the Dutch, it was more an issue of a lack of community as they attempted to be good migrants by assimilating. This process, however, was argued to have lost the Dutch much of their soul as a community (Schouten, 1992). A commentator stated that Dutch often spoke English from the day they arrive in their attempt to immediately assimilate. This strong sense of obligation to assimilate was reflected in poor patronage of Dutch societies, as one commentator stated *"the Dutch clubs are struggling to get younger members. I don't think it is as strong as some of the others, Chinese or Indian for example."* Schouten (1992, p. 171) reiterated *"they migrate here to become New Zealanders and they want to succeed in that, even to the point of not wanting to be known as Dutch,"* but Schouten did speak of community links in business maintaining some importance. To this end the case analysis did identify examples of Dutch IERS employing community members and being patronised by their ethnic community – although this was not a prominent feature, as it was contrary to their assimilation tradition.

Characteristics

The case analysis found that Dutch IERs believed that the Dutch community had some identifiable characteristics. A level of bluntness and stubbornness (n=7) was identified by the Dutch IERs, as in *"I mean Dutch people, they shoot straight. Say I don't like your hair and you know that's fine - you can say 'I don't like your hair' because it means that 'I don't like your hair' [emphasis on 'I']. It doesn't mean to say that it's ugly it means I don't like the colour of your jacket and you can just say things like that without being offensive, without being a slap in the face," and "outspoken, you know, say things when perhaps you shouldn't say things."* Commentators suggested Dutch are very straight forward, very forthright in their opinions and you know where you stand. Thomson (1970) agreed that the Dutch had respect for forthright speech, while Schouten (1992) suggested that the Dutch tended to say what they thought and dismissed the English trait of diplomacy and tact as a cover for liars and hypocrites. As one Dutch IER humorously made the observation *"the saying is, 'the Dutch are too honest to be polite and the English are too polite to be honest' and I think that probably sums it up."* This has created difficulties for the Dutch in the workplace and business sector, as another Dutch IER suggested *"with the Dutch 'it's my way or the flippen highway' and I think that is what really turns Kiwi's off!"*

Some Dutch IERs highlighted the importance of church to the Dutch community (n=3). Schouten, (1992) stated that the Dutch churchmen have played a significant role in New Zealand for more than a century. He also talked of the strength of the Dutch Reformed Church in New Zealand and its "conservatism and devotion of its membership as a place where new immigrants could meet, compare their experiences, and above all experience their native tongue" (p. 157). The commentators, however, were inclined to down play the impact of religion on their broader societal interaction.

Elkin and Inkson (2000) referred to Holfstede's study of national cultural characteristics in identifying the Dutch traits of individualism, being reasonably authoritarian, tolerant of some uncertainty, and with tendencies toward social values of relationships and quality of life. These were characteristics that suited the New Zealand way of life and entrepreneurial endeavour. Schouten (1992) referred to their industrious, thorough, enthusiastic and

conformist characteristics as part of a 'perfect' migrant profile, which meant they merged into local communities and became indistinguishable within a generation.

Business strength and weaknesses

In discussion of how ethnic characteristics translate in business strengths or weakness, Dutch IERS focused on what they perceived as their business strengths rather than their weaknesses. In fact, they gave very little consideration to weaknesses, which reflects their high level of business confidence. Major business strengths were work ethic (n=9) "Dutch are sort of known to work hard," and the fact that they believe that migrants in general are more industrious (n=6) "those people who made the effort to come across are naturally a bit more motivated to make things happen and work for themselves." Lane (1972) supported the contention that many of the Dutch quickly showed their characteristics of hard work and entrepreneurship, while Duncan et al. (1997) agreed that the Dutch have a strong propensity for self-employment and entrepreneurship. Commentators also agreed the work ethic was a major strength of Dutch IERS - calling them industrious and hard working.

Little consideration was given to weaknesses by Dutch IERS, with the lack of knowledge in engaging in business (n=2) and language (n=2) being the only comments. The Dutch trait of bluntness and stubbornness (as identified in the previous section) was not viewed by Dutch IERS as a weakness, whilst commentators and literature (Schouten, 1992) did view it as creating business difficulties. Examples of falling out with business partners were observed in the full immigrant entrepreneurship study and the literature (e.g. de Vries, 2003a; Schouten, 1992). As one commentator stated "sometimes their forthrightness or stubbornness can rub people up the wrong way. That's an area that could upset a few New Zealanders." But as mentioned previously, the Dutch IERS tended to focus on strengths and therefore the case analysis suggested that Dutch work ethic was the significant factor in entrepreneurial competitive advantage.

National Identity

Although the Dutch had a reputation of assimilation, some Dutch IERS admitted feeling a mixed sense of national identity (n=4). Comments such as "I think of myself having that Kiwi side as well as the Dutch side" were common. Commentators believed that the Dutch

generally saw themselves as Kiwis now, however, half the Dutch IERS still had Dutch nationality (n=5). Schouten (1992) suggested that this was a common phenomenon, with more than half the Dutch population in New Zealand likely to have retained their nationality. But Schouten also warned that Dutch descent does not necessarily imply Dutch identity. While Thomson (1970) refers to the dilution of Dutch identity by saying that a high proportion of Dutch in New Zealand were married to New Zealanders or UK born. Furthermore, many Dutch now had stronger historical ties to New Zealand than the Netherlands, as one commentator stated *"I have heard them say 'I've lived here longer than in the Netherlands so I feel more a Kiwi'."* It can, therefore, be argued that even though New Zealand nationality had not been taken by all Dutch IERS, full integration had occurred. In fact, the Dutch community had lost their distinctive identity within two generations. This certainly reflected the perceptions and actions of the Dutch IERS in this case analysis.

Language

Language can also be linked to identity and generally the Dutch IERS spoke of the emphasis on the English language in business and at home (n=7). There was no strong theme of bilingualism, with only two Dutch IERS reflecting on the importance of children retaining the Dutch language. Hartog and Winkelmann (2003) agree that only a small minority of second generation speak Dutch. But offsetting the loss of their traditional language, the Dutch claim to be proficient in English. New Zealand-born Dutch IERS confirmed that generally they had not retained the language, *"when they come up and talk to me in Dutch I can't talk back to them."* Schouten (1992) argued that the Dutch felt that there was no compelling reason for the children to learn their mother tongue and most parents accepted the loss of the language as part of the process of adjusting to their adopted land *"they were asked to fully assimilate and they did"* (p. 135). Therefore, Schouten concluded that the Dutch migrants placed little emphasis on retaining their language in saying *"while other immigrant groups, such as the Polish and Chinese run their own language schools, the Dutch had nothing like that"* (1992, p. 137).

7.3.4 Homeland

Personal connections

Generally the Dutch IERS had some form of family connection with their homeland (n=8) as in "it's great to go back there, it's great to see – but more for the family than the country itself." Of the four groups under study the Dutch IERS, however, displayed the lowest level of desire to maintain a strong connection to their homeland (n=6): "I don't feel a close relationship with the Dutch," and "I have virtually lost contact with my family in Holland," also "But I don't feel a draw to be there or anything. If I went back maybe I would feel like I was going home – maybe?"

None of the Dutch IERS spoke of the need to support family in their homeland. Elliott & Gray (2000) argue that there were barriers to meeting obligations in terms of distance, particularly the inability to visit with family members as often as they would like. But within this case analysis, Dutch IERS purported to visit regularly (n=7) or of having an intention of doing so (n=3) - although only one would consider returning permanently. The regularity of return visits to their homeland did vary, as a commentator suggested "some go back in 30 years and others go back on a five year basis," while another commentator agreed that the Dutch homeland connection is not as strong as most other migrant communities "I really feel that they are so well integrated in New Zealand that apart from speaking Dutch and connection to Dutch people here, connection to the homeland is not very strong."

Business connections

Few homeland business connections were identified in the case analysis (n=2). Similarly few Dutch IERS had intentions of doing business in their homeland in the future (n=2). This may reflect that distance barrier, and the trait of Dutch to assimilate through disconnection with their past. As a commentator noted: "I think the entrepreneurs that came here from Holland and set up their businesses - apart from a few - they would be totally New Zealand focused. It's part of that integration into New Zealand society – it is quite noticeable."

7.4 Business Profile

7.4.1 Drivers

Financial and Personal

Financial considerations - specifically material rewards and security (n=5) - were business drivers for Dutch IERs. Many Dutch IERs did point out, however, that wealth beyond financial security was not as strong a desire as establishing a good business reputation (n=6): *"Business success for me, it is not the money."*

Self actualisation was a very prominent driver among all Dutch IERs. The personal need for autonomy rated highly (n=7), as they were independently minded and didn't like being told what to do *"Being able to make my own decisions."* This behaviour reflects the characteristic of individualism identified in Hofstede's study (Elkin & Inkson, 2000). Schouten (1992) also referred to the Dutch as having an independent streak. A further driver was Dutch IERs' high need for challenge and achievement (n= 7) as in: *"I took a chance and built something completely from scratch,"* also *"I like achieving things. If someone says it can't be done - I really like achieving things."* Furthermore, the material motive came from the perspective of their desire to be rewarded for those efforts (n=6). A commentator agreed, in stating that *"as they came from the other side of the world they were up for a challenge anyway."* Dutch IERs also felt that, as an immigrant, personal pride and creditability (n=9) were at stake and therefore were major drivers. For example *"the main reason I think, is that you want to be successful if you are an immigrant,"* and that success also translated into how they were perceived in the home country as well. As one IER said of their pending trip back to the Netherlands *"be proud to show everyone in Holland that we are successful, because everyone thought we were mad."*

A quality lifestyle for themselves and their family was identified by only half of the Dutch IERs as influencing their desire to go into business. Interestingly, 'quality of life' as a migration driver was significantly higher. This disparity may be a consequence of the clean green natural environment and personal freedoms the Dutch and their family have experienced in New Zealand. Therefore the 'quality of life' objective does not necessarily

need to focus purely on business success (materialism), as they perceived New Zealand as already delivering a good life.

External catalyst

The case analysis identified no evidence of ‘forced’ entrepreneurship. Employment dissatisfaction and lack of opportunity were, however, influential in the decision making among the Dutch IERs in this case analysis (n=7). For example, in speaking of their employment one said *“but none of that really spun my wheels.”* Schouten (1992, p. 145) confirmed *“old and formerly valued skills were often discarded by Dutch migrants as they took any available job and, therefore, it was not surprising that many migrants deserted those jobs to look for better opportunities at the earliest opportunity.”* Many had the desire to set up their own businesses rather than continue in jobs which they felt exploited their skills without proper recognition of its value. As one Dutch IER declared about their former job *“they can just click their fingers and they can tell me where to go and I need to say yes and thank you.”*

The emotional, financial and labour support of family was raised by some Dutch IERs (n=4), although it was not a strong catalyst to business activity. Similarly, help and interaction with colleagues and friends was referred to by half the Dutch IERs, but not as a major catalyst. However, in support of their individualistic nature, they were proactive in seizing opportunities (n=7): *“Basically an opportunity was presented and we took it. It wasn’t our intention to go into business initially but an opportunity arose and it was like you are silly if you don’t do it, so we did.”*

7.4.2 Learning

Academic

The case analysis identified that the majority of Dutch IERs had completed some form of University study (n=3) or trades qualification (n=5) *“About four years in school, a butcher school, and one of those years was also practical.”* Predominantly education was of a non-business nature (n=5). Dutch IERs overall had higher levels of University and trades qualifications than the New Zealand based Dutch population or the general New Zealand

population (Table A2). Furthermore, Schouten (1992) quotes van der Ree of the Wellington Dutch Embassy as saying that recent Dutch immigrants tend to be more educated and skilled than those who arrived earlier (i.e. pre-1990). Half of the Dutch IERs were also involved with some form of post business start-up education in New Zealand. This predisposition toward greater education among Dutch IERs is significant because of the positive relationship to entrepreneurial activity. According to Basu (1998; p. 325) there is “strong evidence of an association between the level of educational qualifications and business success.” Basu suggested one reason for this was that education contributes towards lifting the entrepreneur’s internal resource constraint by improving communication skills required to negotiate with bankers, which in turn, helped remove external financial constraints. A further possibility is that education may also enhance the entrepreneur’s analytical capabilities, which are necessary to start-up and effectively manage expanding businesses.

Table A2: Dutch Immigrant Education
(Resident population aged 15 years and over, 2001)

		Dutch	New Zealand Population
Highest Qualification	University degree	11.1 percent	10.9 percent
	Vocational	20.9 percent	18.3 percent
	School quals	48.3 percent	35.7 percent
	None	11.8 percent	24.6 percent
	Not stated	7.9 percent	10.9 percent

Source: Statistics New Zealand. 2001 Census. Wellington.

Practical

The Dutch IERs had significant practical experience. Generally they were previously employed in the industry of their entrepreneurial activity, or had some other in-depth industry knowledge (n=7). They saw this experience as vital to their success “it was basically the quality and the name you created as a tool maker before you started for yourself.” The literature also suggested that networks were also important, as Schouten (1992, p. 250) quoted van der Wal saying “knowing people is more important than having the right papers.” Dutch IERs were unanimous with the view that there was a need for considerable ‘learning on the job’ once they engaged in self employment (n=10) “I just had to learn it like ‘off the hip’ if you can call it that – you are chucked into it and you have got to go!” The perception of Dutch IERs was that practical experience was more important than education as a prerequisite for their entrepreneurial activity “I think it is life

experiences more than the academic experiences that moulds you," but they did rate formal education highly. As a commentator points out: "They start off as seeing academic as most important in New Zealand and that's based on their experience at home. Later they find that there are other factors beyond academic that are important. And sometimes they find that out the hard way."

External support

In addressing the academic and practical needs of setting up and running their businesses, Dutch IERS generally used some form of professional help. Accountants (n=5) were highlighted as the most prominent professional, as in: "I think choosing a good accountant is a big thing when you start a business - who will give you the right advice," and "I ask him frequently on things that we do." Other business professionals were also used ad-hoc (n= 5), for example "We have used consultants to help set up our quality programme." The case analysis did identify that the Dutch IERS valued spouse support and skill (n=7) "My weakness is bookwork, which my husband does," but were less inclined to talk with and seek advice from their peers (n=2). In fact, some Dutch IERS spoke of having difficulties working with peers (n=4) or a mistrust of professionals (n=3). Although one commentator put this trait in a broader perspective by saying "When I say they are stubborn, if they have a point or an idea which they feel strongly about - they will stand by it. But they are professional enough to take advice when they need it. They see their weak points if they have any and they are prepared to get other advice for it." A second commentator was more critical of their frugal approach to business advice in saying "as long as it doesn't cost them too much. Dutch will come [to professionals] for advice as long as it is free. If they have to pay for it they will probably do it themselves."

With respect to role models few Dutch IERS (n=6) spoke of them being influential in their lives, apart for their parents (n=4). Acting as a role model was not considered by many Dutch IERS as an obvious outcome of their business profile.

7.4.3 Finance

Financial practices

Dutch IERs identified the need to be responsible and organised in money matters (n=9) “you don’t spend money that you don’t have,” and manage those finances carefully “each night we would work, basing our return on the lowest possible price and our expenditure on the bare minimum.” In highlighting the need for financial competence prominent themes were effective pricing (n=5), positive cash-flow and the need for caution (n=4). Dutch IERs (n=9) stressed the need to be frugal in all aspects of their life: “We couldn’t even drive to the dairy to buy a bottle of milk because they didn’t even want to spend the money on the petrol for the car, didn’t go to the movies. We didn’t go out much. We did other stuff around the house, like we were always busy doing things. They were very conscious about saving money and not spending money unnecessarily,” and “because we agree to put our salary and commission in the company, we didn’t withdraw within the first two months. Just to make sure that the company could run smoothly.” This frugal nature was also raised in the literature (e.g. Schouten, 1992; Thomson, 1970) and by the commentators, for example “They are generally good with money, known to be frugal with money and they are careful with money. Making sure everything is straight and above board, making the most of their dollar.”

Access to finance

Within the context of this case analysis, the raising of capital by Dutch IERs often occurred through bank loans (n=5). Although some IERs did comment on having difficulties in accessing bank funding (n=3), especially when operating in niche or unique market ideas “when we started up the business the bank turned around to us and said, you know, it’s never been tried before so I don’t see quite frankly how we could support you.” Schouten (1992) also gave examples of the difficulties Dutch IERs faced in dealing with lending institutions, particularly with new or innovative concepts. As a consequence, some Dutch used family or colleagues’ money as a source of capital (n=3), although this was less common than other groups in the full immigrant entrepreneurship study. Three Dutch IERs argued that they needed minimal capital to start their venture and, therefore, financing wasn’t an issue “we have a home business and it’s very low overheads.” Supporting this

position, Schouten (1992) made reference to the Dutch entering businesses that gave them the opportunity to start with little capital. Never-the-less, Dutch IERs did speak of cash-flow problems (n=6) and financial pressures (n=7), but they often managed their way through this with frugality and working long hours in their businesses. As a commentator suggested *"the odd one hasn't succeeded, but they are more the exception than the rule, as most Dutch have done very well."*

7.4.4 Characteristics

Business type

The case analysis suggests that there is difficulty pigeon-holing Dutch into stereotypical businesses. Dutch IERs were in numerous industry sectors, from engineering to photography and retail to consultancy. There was no dominant business activity, with service industry (n=6), manufacturing (n=4) and farming (n=1) being identified in this study, although they predominantly operated from 'one site' locations. Commentators were also in agreement that the Dutch entrepreneur operated across most business sectors, but some reference was made to the prominence of new immigrants in dairy farming/horticultural and IT industries.

Business focus

The Dutch IERs' business activity had a New Zealand market focus (n=9). Even in the case of the ethnic food industry the IERs spoke of targeting the general New Zealand market as well as servicing the Dutch community. Commentators also agreed that Dutch businesses had a national focus. This outcome links in with the earlier discussed Dutch assimilation mind frame. Only one Dutch IER identified their business as having an international focus, which would suggest a lack of an international perspective within the Dutch business community. The literature does suggest, however, that there are individuals making their mark on international markets (Schouten, 1992).

Business development

Dutch IERs began with small businesses (n=8), with four having bought an established small business. A commentator concurred that starting small was the common approach for the Dutch by saying *"most like to be independent from when they arrived here and therefore will build their business from a small base."* There was some discussion of the

challenging nature of the business start-up (n=5), but Dutch IERs did express a desire to grow their businesses (n=8). Impediments to growth were identified as staff problems (n=4) and personal limitations in business skills (n=3).

7.4.5 Philosophy

The case analysis of Dutch IERs' business philosophies drew few consistent themes. Comments such as relationship focus, hands-on management, caution, strategic focus were sparingly mentioned. Schouten (1992) referred back to the Dutch bluntness and stubbornness traits by saying that in business they are battlers who fight the system to uphold their business beliefs. A commentator confirmed "when I say they are stubborn, I mean, if they have a point or an idea which they feel strongly about they will stand by it." With respect to staff, another commentator inferred that Dutch have high expectations of them "being hard workers themselves they expect their staff to be the same."

The most prominent philosophy among Dutch IERs related to a customer relationship focus (n=7): "I'm self employed but I have a hundred bosses, every one of my clients is my boss, they're unique in their own requirements and needs and desires, and I try to fill that as best I can for each one of them," and "we like having satisfied customers and that's very important - on the top of our list." They identified the importance of establishing a good reputation and the value of 'word of mouth'. This was closely followed by comments on the importance of quality and suitability of their products. In the literature, Schouten (1992) offered examples of the Dutch commitment to innovation and quality. A commentator confirmed Dutch excellence in customer service, but also commented on their commitment to the businesses financial imperatives "they will go the extra mile for the customer, as long as they get paid!"

Honesty, integrity and fairness were highlighted by many Dutch IERs (n=8) as part of their business philosophy "very much so, my parents have brought me up to be probably extremely honest to a fault and I've found this has helped in business because people know that they can trust me." However, Schouten (1992) argues that their honesty and directness can be perceived as bordering on rudeness at times.

APPENDIX 8

A CASE STUDY OF INDIAN IMMIGRANT ENTREPRENEURSHIP

This Indian case analysis is part of a broader study of four ethnic groups, Chinese, Dutch, Indian and Pacific Peoples. This case focuses discussion on the nature of Indian entrepreneurial activity in New Zealand and is based on triangulated research undertaken from September 2005 to May 2007, consisting of: (1) nineteen face-to-face or telephone interviews with ten Indian IERS; (2) two face-to-face interviews with Indian community leaders⁵; (3) and a review of the relevant Indian migrant literature. The case study evidence is presented in a format based on the structural outline of the immigrant entrepreneurship model (as outlined in Chapter Six), where the following four constructs were utilised: migration profile, settlement profile, cultural profile and business profile.

8.1 Migration Profile

8.1.1 Homeland

Geographic origins

Indian IERS came from a broad spread of geographic regions. They migrated from states such as Karnataka, Kerala, Tamilnadu, Punjab, Rajasthan, Maharashtra, and also Fiji. With this geographic diversity of origin came clear distinctions with respect to culture, religion and values systems. Indian IERS therefore saw themselves as having quite distinct sub-cultural identities, and not fitting a generic label based on their broad national origin. Commentators reinforced this finding by suggesting that there are three major Indian communities in New Zealand and also further significant religious distinctions (discussed in detail in the cultural profile).

Residence

The majority of Indian IERS came from urban (city) backgrounds. A commentator highlighted this in saying “a very large number of Indians come from large cities. But even smaller cities in India would have populations four to five times that of Auckland.”

⁵ Ethnic community leaders are referred to as ‘commentators’ in this discussion.

This urban background appeared to help their New Zealand urban settlement and business development (see settlement profile). The evidence of the full immigrant entrepreneurship study suggested that urban (homeland)-to-urban (New Zealand) migration and the rural-to-rural migration seemed most compatible with entrepreneurial activity. There were some examples of urban-to-rural success, but rural-to-urban migration was least compatible with entrepreneurial activity. As Indian migrants predominantly fitted the urban-to-urban profile (see also Settlement profile/arrival and societal fit/residence), they were well suited to entrepreneurial activity.

Half of the Indian IERs discussed the fact that they had also undertaken extensive overseas travel. The travel they undertook, for work or adventure, gave them added knowledge which they applied to their entrepreneurial activity later in life, as one suggested *"having lived in various countries all these years, I have considered myself a global citizen."*

Interpersonal/family dynamics

Indian IERs in the case analysis came from middle socio-economic backgrounds, irrespective of whether they were first generation migrants or second generation New Zealand-born. The literature does, however, suggest that this was a post-1990 phenomena for 'new' migrants, as 'established' migrants (pre-1990) were generally from lower socio-economic backgrounds (Tiwari, 1980).

The size of their homeland family units varied greatly, but Indian IERs consistently reflected on happy childhoods with common comments such as *"I had a great childhood, a fabulous childhood."* They identified religious beliefs as fundamental to their way of life, and that it influenced every aspect of their lives and business activities (the importance of which is discussed in greater detail in the cultural profile/personal life perspectives).

Work dynamics

Indian IERs had varied homeland family work histories. They generally spoke of their parents coming from a broad spectrum of blue and white collar employment. Few spoke of having entrepreneurial parents, although there was often some form of entrepreneurial activity within the extended family. The Indian IERs themselves also came from both blue and white collar backgrounds, with white collar being more prominent amongst the new

migrants. This phenomenon was confirmed by a commentator's comment that pre-1990 migrants were predominantly Sikhs and Punjabis from rural backgrounds and came as labourers, while post-1990 has seen the arrival of mostly white collar migrants. Xiang (2001) made similar assertions about current Indian migrants in saying that they provide the lions share of a receiving country's high-tech workers. Another commentator reflected on the long Indian history of white collar workers by discussing the proficiency of Indian administrative capability over more than a century "*we are people who build nations through labour and white collar.*" The commentator also stated that Indians generally migrated with the intention of finding employment rather than looking for entrepreneurial careers. This may be a consideration in accounting for Indian entrepreneurial behaviour being less than the New Zealand average.

8.1.2 Drivers

Interpersonal

The case analysis identified that there was considerable family influence in the early Indian migration to New Zealand. For example, some Indians who were sailors and worked on steamships had already visited New Zealand. They returned to their villages and informed family about the availability of cheap land here and hence created impetus for migration (Tiwari, 1980). Other Indian migrants came primarily as sojourners, to make money for their family and return home (Palakshappa, 1980). One commentator suggested that the early migrants set a precedent in that many families in India had members overseas and therefore in recent times others have migrated. As everyone from the family was migrating, it became 'the thing to do'. The Indian IERS in the case analysis were prominently the later. That is, they had family in New Zealand or had followed the example of family or friends who had or were migrating. A few were independently minded, while in one case they were required to migrate because of an arranged marriage.

Quality of life

The overwhelming personal driver for migration was to improve their quality of life (n=8). Sometimes this was inferred rather than directly stated, through Indian IERS' desire for better career and education opportunities (n=5) and through reference to the quality of life for their children (n=4) "*mainly for the education system for our daughter and the*

different lifestyle." Some Indian IERs admitted migration to New Zealand was purely opportunistic with three having visited New Zealand and then decided to migrate, four having simply followed some opportunistic events at home that lead to migration, and one purely saw it as a stepping stone into entering Australia.

The literature states that early migrants' search for quality of life was driven by poverty in India (Tiwari, 1980), while a commentator described the restricted higher education and caste discrimination practices in India as driving people from India. Another commentator, in referring to the more recent migrants to New Zealand, suggested that they were looking for a serene and tranquil place *"people coming from major cities like Mumbai, New York, London - they find New Zealand to be a quiet place with all the advantages of a first world country."* This commentator went on to say that they believed that not everyone took a liking to New Zealand, but the attraction was that it was progressive, developed and a first world country.

Homeland political and racial problems were the most significant issue for Indian IERs in this case analysis (n=5), as in *"One thing I hated in India was bureaucracy and the corruption, and we were away from all that if we moved here."* Two Indian IERs inferred that they had career difficulties in India and the second generation New Zealand-born IER referred to the poverty his father had experienced in India. Hence the theme 'quality of life', as the primary driver, runs consistently throughout the case analysis, the literature and the commentaries. Whether this refers to the early migrants removing themselves from an underprivileged situation in the homeland (push), or as in the case of recent migrants an attraction to a perceived better lifestyle in a receiving country (pull) - quality of life was the major driver.

8.1.3 Immigration

The IERs left India for New Zealand equally with permanent or temporary residence status, a trend confirmed by a commentator as typical of the general Indian migrant population. Predominantly they came as family units (n=7), although Tiwari (1980) stated that early migrants came alone with the overall intention of returning home with the money they had earned - to buy land and improve their homeland social status. Most Indian IERs arrived

with limited financial resources (n= 6) and in half the cases with limited knowledge of New Zealand *"my dad, he got on a boat for three months to get out here and didn't know where he was going."* As one commentator remarked *"it is seen as a country with a little bit of mystery with most of them [Indian migrants] not having heard of the place before they migrated."*

The rate of Indian immigration to New Zealand since the beginning of the 20th century has varied considerably (Zodgekar, 1980). This variation was generally due to the variations in immigration legislation in New Zealand. The outcome has been a rather cyclical pattern of Indian migration to New Zealand, and differing migrant profiles between migration areas. For example, new immigrants (post-1990) were financially better equipped on arrival than were the established immigrants (pre-1990). This may reflect current New Zealand immigration policy, where a points system requires migrants under the skilled/business category to be financially independent (Dunstan et al., 2004). Whereas, for example, Indian doctors were sponsored by the New Zealand Government in the 1970s – as one Indian IER, who arrived as a child, stated of his parent *"they arrived here and the New Zealand Government accommodated them, gave them paid employment and even paid for housing."*

Irrespective of the immigration policies, a commentator spoke of the significant difficulties Indians have always had in gaining access to residency in New Zealand, whereas they had few difficulties with respect to leaving India. Certainly many of the Indian IERs in this case analysis did refer to the political and personal challenges they faced in migrating. Therefore many Indian migrants may be more entrepreneurially inclined simply because they had the fortitude and skill to battle through the system to gain New Zealand residence in the first place.

8.2 Settlement Profile

8.2.1 New Zealand Arrival and Societal Fit

Residence on arrival

The case analysis identified that Indian IERs resided in New Zealand cities on arrival. This was also confirmed by commentators, and parallels the Zodgekar (1980, p. 194) study which attested to nearly 85 percent of the Indian community living in the Central Auckland, Wellington and South Auckland/Bay of Plenty regions. Zodgekar argued that the Indian community was more urbanised than the general New Zealand population, although conceded that this was lower than the Chinese and Polynesian communities in New Zealand. These findings reaffirm the trend of immigrants residing in the major urban centres, and in the case of the Indian community, an urban-to-urban transition (as previously discussed in the migration profile).

Employment on arrival

Some Indian IERs entered into work immediately on arrival (n=4), while the remainder were proactive in seeking employment despite some level of difficulty in finding ‘fitting’ employment. As one IER remarked “I decided to try and apply around and seek opportunities, but I was rejected on the grounds of no New Zealand experience.” The literature (e.g. Tiwari, 1980) identified that it was not difficult for Indian immigrants to gain employment in New Zealand, but recognised that the ‘quality of work’ was an issue. Both commentators took a more critical perspective, in stating their concern over the unrealistic expectations of the new migrants: “An average Indian considers himself to be far above the rest which is again a fallacy. If they have the mindset that if they have been a general manager of a company they expect to be a general manager here; it does not happen. So realities are lost because of the emerging opportunities in India. So to a very large extent when people say they are over-qualified it is their own mindset. If you have an open mind and say I will take a job I am able to handle – that’s that – you have to in many cases start from the bottom of the ladder. That is the harsh reality of life.” Indian IERs did, however, comment on some discriminatory practices in the labour market. In supporting this view, Palakshappa (1980) contended that Indians are considered to be

intruders into the Pakeha society and a potential threat to their status, with the prejudice and discrimination being quite common in the professional business sector. The broader immigrant literature also confirms the existence of discrimination and social barriers in the New Zealand labour market and internationally (e.g. Apitzsch, 2004; Benson-Rea & Rawlinson, 2003; Dunstan et al., 2004; Mace et al., 2005). Yet whether because of an unrealistic expectation or justified disappointment, many Indian immigrants chose an entrepreneurial solution. One Indian IER's frustration was expressed through the comment "I applied for a lot of jobs here but when I wrote down on my CV that I have a Masters in Political Science and applied for a factory job or a customer service job, they would send me a response that I was over qualified for the job. But when I applied for a manager's job then they would say that I have no New Zealand experience and they couldn't offer me for the job!"

Irrespective of the difficulties, most of Indian IERs (n=9) had integrated into the workforce, and thus experienced some form of employment prior to their business ventures. This work experience was predominantly blue collar employment, although Zodgekar (1980) reflected on a shift from blue-collar work patterns of the earlier immigrants to white-collar employment among current Indian migrants. Regardless of the type of work, one commentator suggested that the first goal for an Indian, even a businessman, is to see if they can be employed in some way, and that the majority of current Indian entrepreneurs were originally employees on arriving in New Zealand. In support of this conclusion, the case analysis identified that only one Indian IER went into self-employment immediately on arrival.

Finally there appeared to be little evidence of any form of social welfare dependence by IERs at any time prior to their entrepreneurial activity. This reflects an entrepreneurial attitude of self-sufficiency, but also an argument by a social commentator that the average Indian would not accept social benefits simply because it was absent from their home country and it was beneath their dignity.

Social integration

Indian IERs were evenly divided as to whether they or their families had difficulty integrating into New Zealand society, especially with respect to cultural fit. As one IER said

"it's really hard to break into New Zealand society, you know, I'm from a different culture." Discrimination was indicated by some Indian IERs as detracting from their integration (n=4): "The New Zealand culture is a little bit different than India. But people don't accept easily that culture." In general, the level of discrimination for the New Zealand Indian population appeared to be greater than that experienced by other groups such as the Pacific Peoples (Dunstan et al., 2004), even though Zodgekar (1980) argued that on the whole the Indian immigrants have posed very few social problems when compared with other immigrant minority groups in New Zealand. The positive impact of Indian migrants was raised by a commentator, who stated that Indians have been around the world in quasi-administrative roles and had supported rulers in administration - therefore they were very good go-betweens of different cultures and integrated well with all ethnic groups. Zodgekar concluded by saying that this was a quality of the Indian and that they can sit well between the Chinese, the Pakeha and the Maori, so were comfortable with everyone. Therefore, it can be suggested that discrimination relates less to Indian inability to integrate and more to their physical and cultural difference, which causes the local population to treat them differently because of social intolerance. As pointed out by a commentator: "What I can't understand is why I am called an Indian and you [researcher is a Dutch immigrant] are called a Pakeha. I might have been here longer than you, might have integrated better, know more people. Those that are born here are still labelled an Indian, why? This I don't understand and until there is some kind of evolution of recognising people as New Zealanders and not as Indians, we will always find ourselves left out."

The Indian desire and ability to fit in is reflected in the case analysis by Indian IERs remarking that they were not affected by the discrimination. They felt that it was no different from that experienced in other countries "So that is something we have accepted that happens. We don't like to see it but we know it's there." This perspective was confirmed by Tiwari (1980) in recognising that most of the problems in matters of prejudice and social adjustment among the Indian population were not insurmountable, and that they regarded New Zealand as their adopted home country - in the light of which any petty or superficial considerations based on prejudice, colour or creed were not only discouraged but completely disregarded. Furthermore, a commentator suggested that

Indians come from a homeland of disadvantage, depending on their caste, religion or state and thus expressed the Indian philosophy in saying *"no matter what you say of discrimination etc, I have not come across a single individual who has failed in business because of these so-called racist factors."*

Language barriers were not a large issue, as generally Indian IERS spoke fluent English. The only minor problem was with interpretation or understanding of Kiwi-isms: *"Language was an issue to some extent because the way we do, I learn English, it's one of the languages in India but we still have huge differences in terms of pronunciation."*

Another factor in the Indian IERS' social integration was the lack of Indian community ethnic enclaves. Zodgekar (1980) pointed out that historically Indians have lived in Auckland and Wellington, but they resided in different areas of the city rather than concentrating in a few areas. The social rationale for this is explained by Palakshappa (1980, p. 198) by stating: "The relationship between kinsmen is such that many people do not have close contact with an Indian who resides two streets away. They sympathise with them and are ready to help the concerned if there is any need but close contact with that person or persons is not possible since they do not have spare time; thus the work and close kinship relationship has somehow or other curtailed the development of an Indian ghetto. An Indian does not mind where he stays as long as he keeps his contact with his kinsmen. Most of them own cars and cars are useful in visiting relatives."

Overall the majority of Indian IERS were satisfied with their settlement. Some stated that they had become 'Kiwi-ised' in suggesting that they had embraced the New Zealand way of life *"they like rugby [children] and I like rugby, we will watch it together,"* even though they came from culturally divergent backgrounds. This New Zealand acculturation was also responsible for a softening of homeland traditions. For example, the common Indian practice of men dining before women and children is not practiced in New Zealand (Kasanji, 1980). This shouldn't, however be interpreted as Indian's losing a connection to their roots and customs (as discussed in detail in the cultural profile/national identity). Furthermore, families did integrate differently into society. As one commentator suggested, the husband may integrate and the wife may not or vice-versa; and the children may integrate and live dual lives. Another commentator remarked that satisfactory integration

varied depending on educational level, extent to which individuals had exposure to other groups, the cosmopolitan profile, and the level of work integration. In these respects Indian IERs generally rate highly in all. Therefore, it could be suggested that when migrants felt that they had integrated satisfactorily, this proved to be a conduit to fostering entrepreneurial activity in the broader New Zealand community – which is the hallmark of the Indian IER.

8.2.2 Societal Perspectives

New Zealand characteristics

The case analysis did not identify any clear patterns in Indian IERs' opinions about New Zealanders. Overall Indian IERs felt that New Zealanders were pleasant people *"I think New Zealand people are a wonderful people,"* although they believed there were pockets of xenophobic attitudes (e.g. Scott, 2007; Tiwari, 1980). Indian IERs suggested that New Zealanders had narrow life perspectives because of the insular nature of New Zealand, and were often naïve *"the tragedy is a lot of New Zealanders have hardly seen how the rest of the world lives."*

They believed New Zealand was a good society to live in (n=8). Rating highly was its clean, green open image *"green, clean and, you know, we breath fresh air,"* which reflected the migration driver as discussed earlier. One commentator affirmed that many Indians came here because they liked the pristine country, while another commentator suggested the vast amount of space was attractive. The Indian IERs did make reference to some societal problems which impacted on lifestyle and business capabilities in New Zealand, but as one commentator said *"Indians adapt and are basically happy and even though there are a few complaints, that happens in all communities."*

What they bring to New Zealand society

Indian IERs suggested that the Indian community brought depth and diversity to the New Zealand cultural mix (n=6), with a major element of this being the introduction of cuisine. They didn't see their culture as being a threat to the New Zealand way of life, but rather an added dimension. As Zodgekar (1980, p. 197) attested *"Indians have kept their food habits and certain religious and social ceremonies intact which are pertinent to their culture and*

Hinduism. These are activities which only affect the family situation and do not pose any social, economic or political problem to the host society.” Tiwari (1980) argues that Indians bring a level of harmony to New Zealand society, in being well-behaved and law-abiding. Commentators, on the other hand, focused on the cultural value system that Indians have brought with them. Values such as hard work, self-determination, integration, family values and, most importantly - non-violence. One commentator raised the point that some of these values are currently influencing the New Zealand way of life through the school systems, as more Indian teachers are entering the profession.

8.2.3 Business Integration

Level of business activity

Indian entrepreneurial activity was identified in the 2001 New Zealand Census (Statistics New Zealand, 2001a) as being lower than the New Zealand average. The census figures were 5.6 percent for self-employed with staff (7.5 percent New Zealand average), 11.6 percent for self-employed without staff (12.4 percent New Zealand average) and a lower overall annual income for the Indian community of \$16,000 (\$18,600 New Zealand average). These self-employment figures, which parallel studies in Australia (Collin, 2003), may be a result of the argument already raised about Indian propensity for employment over self-employment, and their low need for independence (to be discussed in the cultural profile). The lower income may be a consequence of the migrant earning disadvantage as discussed in Chapter Five, but may also be a entrepreneurial driver to overcome social disadvantage.

Supportive/unsupportive factors

Indian IERs commented on the comparative ease of establishing SMEs in New Zealand (n=6). A commentator pointed out that because New Zealand is a country of small business entrepreneurs Indians fit into that context well. There were, however, a number of concerns raised with respect to business activity. There was discussion by IERs of the unsupportive regulatory environment, compliance costs, and lack of assistance from business agencies. This included tax frustrations “I mean GST, PAYE, company tax and FBT, those are huge burdens on running a business,” or the inequitable legislation, “With respect to the food industry, I don’t particularly enjoy the fact that we have two sets of rules - one for

local manufacturers who are hit with various standards on packaging, declarations, and other compliance issues; and another one - or rather a complete lack of standards - for imported products that defy every issue faced by local manufacturers." **Janes (2006)** also highlighted the perplexing problem of the majority of New Zealand businesses being hesitant to use immigrants with contacts overseas. As one IER recognised, with regard to the difficulty of establishing an export market to India: *"Nobody would take me seriously. I went to all the major, industry conferences, associations, businesses, and so-on. But they wouldn't even bother looking at me at all. So I mean it was very hard."*

A further major concern for Indian IERs was that the New Zealand market was so small and isolated. A commentator pointed out that businessmen coming from India were disappointed because there was no critical mass to really do business here, whereas in India or Asia most businesses succeeded because of a large market for a given product or service. This disparity would suggest that their skill set may relate to operating in large markets, when in fact they needed to be equipped to operate in small and niche markets in New Zealand. Therefore rapid adaptation was needed, which was a key trait of Indian migrants, as summed up by another commentator *"what they might think is lacking is the market size. That of course you can't help, again it is a question of relating to reality."* The Indian IER adapts well.

8.3 Cultural Profile

8.3.1 Personal

Life Perspectives

The Indian mindset has been strongly influenced by their faith, spirituality and the diversity of its expression through Hinduism, Islam and Christianity (Wilson, 1980). Within the case analysis the influence of those beliefs on life and business were only expressed by six Indian IERs. One commentator argued that religion does not play a major conscious role in Indian business. They suggested that Indian migrants came here and set up the churches and temples that correspond with their own faith and then got on with life in New Zealand. A further commentator argued that factors such as age, denomination, or community also

influence the importance of religious participation. For example, for Punjabis it could be part of the daily life and for Muslims going to the Mosque is important. The case analysis identified that there appeared to be a need for Indians to feel a sense of spiritual connection and unity, as the Indian life perspective encapsulated a lower need for independence. Never-the-less some Indian IERs did highlight the desire to control their own businesses *"always liked to call my own shots and be my own boss."* The lower need for independence within the Indian community may be another factor that influenced the lower level of entrepreneurial activity - as identified earlier.

Business perspective

Indian IERs' achievement orientation reflected a strong 'internal locus of control' (n=8) and was expressed in comments such as *"my feeling is that everybody can achieve anything if you really try hard enough and persevere."* A commentator recognised its importance by stating that success was based on the IERs own initiative and their own ability to order their affairs, and added that most of the Indians who had come to New Zealand with that positive approach were pretty well off now.

Indian IERs generally felt in control of their lives *"it's how you make your own luck,"* thus were more accepting of the environment they were presented with, and more effective in finding solutions to any problems *"negativity is one thing I don't actually entertain, and I actually find answers for every question."* Furthermore, Indian IERs referred to their business style being different from New Zealanders, as one IER attested *"I just have my little different way of doing things. And maybe that's the reason I'm successful."*

Indian IERs achievement orientation was also reflected in their proactive goal setting orientation (n=6): *"In trading I think you need to keep changing your goals. You can set a goal but then your circumstances change and you modify it. I always set goals of where we want to go."* They were determined to succeed despite the challenges they faced (n=7), some of which have already been outlined in the settlement profile. A commentator pointed out that perseverance was an important part of Indian IERs' success, while another commentator highlighted the skill factor in overcoming adversity: *"For Indians the*

challenge is to wade through that. If you have communication skills, the ability to act, the competence to mingle with people, you can make the best out of the situation."

With respect to their business strengths and weaknesses, IERs saw their interpersonal skills as a major strength and lack of management experience as a weakness. Overall the IERs preferred to focus their comments on strengths, which suggests a level of confidence in their own business ability.

Work ethic

Work ethic was revealed as a prominent feature for all Indian IERs. Descriptors such as 'hard working' (n=8) and 'long hours' (n=10) were the most common themes in this category. Typical comments were *"we live a pretty full life with the hours that I work as I still spend 60-70 hours a week these days,"* and *"it has been hard work, it has been long hours,"* while one IER rather amusingly said *"I have the ability to basically work like a donkey, like a workaholic."* The literature argued that the 'migrant factor', rather than any particular ethnic factor, was the driver because immigrants' work ethic was a means to social advancement (e.g. Benson-Rea & Rawlinson, 2003; Whybrow, 2005). A social commentator was more specific about the influence of the Indian character, in stating that it was not just characteristic - but typical - for Indians to work hard. Furthermore, Tiwari (1980) suggested that most Indians naturally value a life of simplicity and hard work. A second commentator made the argument of a strong philosophical foundation driving their work ethic in saying: *"Work is worship and instilled as children, you revere the workplace like a temple. Therefore, you respect the workplace because it gives you a means of sustenance. So it is kind of ingrained in the thinking."* Finally, often long hours was out of necessity because of a lack of capital, as one IER remarked *"rather than money I'm giving more time."*

Generally the Indian IERs were accepting of the trade-off that was required for working long hours. A commentator pointed out that there is no work-life balance in the Indian context - that they simply do not know how to order a balanced life. Tiwari (1980, p. 2) considers this issue from a philosophical stance in stating; *"If the Western culture points relentlessly to the improvement of life-conditions by dint of labour and industry, the life-*

styles of Indian immigrants cover another dimension, and work under a sense of discomfort and disquiet as the existing order of things.” But the commentator did concede that the position is slowly changing in New Zealand, which lends itself to the fact that half the IERs in this case analysis expressed a desire to work less hours. Furthermore, the strong work ethic appeared to impact on IERs having higher stress levels (n=7) although they tended to deflect the reasons for stress onto such issues as business relationships or problems.

8.3.2 The Family

Dynamics

Strong family focus was evident among Indian IERs (n= 7), as in *“you’ve got to look after your children, your wife, look after your parents.”* A commentator remarked that to the average Indian, family is very close to his or her heart. The Indian IERs also emphasised the importance of family unity in *“we would talk a lot. we are a very close family and every evening we had a rule that we would always eat dinner together as a family.”* Many claimed that family came before business: *“As I said before, the fact that I’ve got my family together, I would sell my business to keep that,”* also *“My philosophy is give them a decent business right, but at the same time your foundation must be strong. That is your home – you must have a very happy home with your wife and children.”* According to Palakshappa (1980) an Indian is trained from an early age to be a family man and that roles outside the house are limited apart from the role of earning a living. Furthermore, bloodline is still very important to Indians, as Tiwari (1980) suggests that most Indians try to retain ‘full bloods’ through marriage. In the case analysis, three of the IERs referred to having had arranged marriages in India, and there was no mention of mixed marriages.

Indian IERs viewed the obligation to extended family as less important than immediate family. Some IERs were indifferent to extended family needs and focused simply on keeping cordial relations with them. In support of this perspective of family obligation, Elliott and Gray (2000) asserted that Indian cultures have associated family and village obligations; however, they seem to have flexibility over the extent to which they accept these obligations, and the form in which they contribute. Elliott and Gray stated that it is common for a male family member to enlist the support of a relative in the search of work,

accommodation or other needs. Wilson (1980) also made reference to the importance of broader family connections, in suggesting that Hindus have strong ideals relating to special love and respect within the family, the tolerance of other people's viewpoints, and of hospitality to all.

Apart from the case analysis identifying that Indian IERS are typically (but not exclusively) male, the cultural elements of male line dominance was not a strong factor in the findings - which is contrary to the literature. According to Elliot and Gray (2000) descent, inheritance, succession, residence and authority flow through the patriarchal model of the male line in India - even in the Southern Indian states and across different castes and religions. Palakshappa (1980) suggests the Indian families in New Zealand inherit this patriarchal tradition, but have made certain changes in their family relationships in adjusting to New Zealand society. The full immigrant entrepreneurship study supports an 'adjustment' theory, as the needs of the business often required greater teamwork between spouses, which therefore reduced the authoritarian predisposition. Migration and settlement also appeared to spawn a strong emphasis on educating their children (male and female), and a desire for them to display independence - therefore also diluting some of the culturally based family line issues. This is not to say that some of the cultural traditions among the Indian IERS, such as arranged marriages and masculine references, were not evident. It rather suggested that there had been some adaptation or softening of authority lines in the integration into New Zealand society.

Business connections

Family member business involvement was common (n=8) where family existed in New Zealand. As pointed out by one commentator "typically, if you went into any of the dairy shops, invariably four or five workers would be from the family, and Indians take pleasure in that kind of environment." Family was a useful informal labour source for Indian IERS, and was supported by the literature (Dana & Dana, 2003; Duncan et al., 1997; Elliott & Gray, 2000; Min & Bozorgmehr, 2003; Salt, 1992). Commonly Indian IERS had their spouse working in the business (n=6). They commented that their support was highly valued: "Totally, my wife and I are totally involved in the business. Everything we do is collectively done." Furthermore, the business cohesion signalled the strong marital bonds in the Indian community. A commentator pointed out that traditionally Indian woman did not

go out and seek work in New Zealand, and therefore this was one way of involvement in constructive economic activities.

The involvement of children in the business was evident in the case analysis, although Indian IERs saw this as secondary to their children's educational development (n=7). They placed priority on education, as they saw it as fundamental to their children gaining independence and future success. One commentator depicted what they believed typified the Indian perspective: *"With all immigrants, mum and dad run a takeaway and son and daughter help. Daughter is going to be a doctor and son is going to be an engineer; and then they become rich and free mum and dad from business."* While an Indian IER stated: *"Most Indian families, Asian families, would find that there is a lot of emphasis on education for their children. If you have a good proper foundation in academia you can stand on your own feet no matter what happens. That's the whole idea of giving good education to your children, that they can find some kind of good work."*

Indian IERs preferred family involvement in their businesses, with only one being adamantly opposed. Indian IERs in this case analysis did not, however, anticipate their children's long-term involvement in their businesses, although six IERs did comment that their children were welcome to succeed them if they so desired. As one commentator stated: *"They try to involve members of the family in business wherever you find Indians throughout the world. One, there is constructive engagement of the members of the family and two, there is a process of inheritance already set from one generation to another."* Another commentator suggested that Indian IERs are so involved in the business - giving it the best part of their lives - that they believe it belongs to the family members and therefore should be retained. The literature also raised the issue of succession, for example, the Hindu tradition of a businessman handing over to their sons and retiring to a pilgrimage site such as Hardiwar (Wilson, 1980), or a father looking for a bride for his son and then starting a subsidiary business for that son (Palakshappa, 1980). But these characteristics of succession or patriarchal tradition were not prominent in this case analysis. There was minimal discussion of exit plans (n=1) and many Indian IERs admitted that the family-business dynamic was a challenging one to manage, as was also characterised in the literature (e.g. Elliott & Gray, 2000). Commentators also had conflicting views on the Indian succession practices in New Zealand. One suggested that Indians capitalise on their

business for a number of years then sell it off to another immigrant. They do this, rather than hand it over to their children who would be studying to work for a large company. The other commentator suggested that Indian IERs try hard to get children to succeed them, but if not, then their brother would succeed and so on through the family - until at some point of time if there is no one to succeed, then they would think about selling the business.

Values transfer

Indian IERs related the importance of the values transferred by their parents from both the perspectives of those values which they adhere to and those they passed on to their children *“and that was a tremendous thing because it gave us an opportunity to get an insight into my dad’s working life and we would do everything together really - to be honest we spent a lot of time together and I learnt a lot from my dad.”* This echoed reflections by Palakshappa (1980 , p. 206) who identified the importance of cultural transfer: “The task of the family is not only to train children to take up positions in the host society but also to see the continuity and the maintenance of Indian identity. ... The Indian identity is thrust upon the children right from the beginning.”

8.3.3 Ethnic Community

Links

Indian IERs identified with some connection to the New Zealand Indian community, although in three cases this was a very tenuous connection. One Indian IER went as far as to say they did not wish to identify with the Indian community, as they preferred to engage with the broader New Zealand community. One commentator was rather critical of the sincerity of much of the Indian community involvement in saying: *“To a large extent there is an element of hypocrisy here. There are a few involved with cultural, religious activities. I think that involvement is more as a showcase because there is glamour attached to it, there is a lot of exposure to these festivals.”*

A major limiting factor to strong ethnic identification was that Indian immigrants associate themselves with different Indian States (as identified previously). An example of this distinction was expressed by two Indian IERs, when asked if they had strong connections to the Indian community in New Zealand, they said *“there was an almost non-existent*

Southern community and those parts of the country are quite separate ... the Southern community is very different from the Northern community," and "not very strong, because I belong to the North and I belong to the Sikh religion. There's not many Sikh people here. So you can't say that is very strong [community]." Therefore, most Indian IERS in New Zealand had their own distinct communities. McLeod observed this phenomenon in the general Indian immigrant community and stated: "Whereas New Zealanders of various European origins have shown a pronounced tendency to merge into a single Pakeha identity, the prime distinction within the Indian community remains clearly marked. The very word 'community' is, in fact, a thorough misnomer for there are actually two separate communities of Indian origin in New Zealand, together with the heterogeneous remainder belonging to neither. Separated by language, tradition, occupation, and (in most instances) conscious religious affiliation they constitute two distinct identities" (McLeod, 1980, p. 113). Fernandez and Kim (1998) confirmed this observation in discussing intra-group differences of gender, marital status, length of residence, and English proficiency. An Indian commentator argued that when saying 'Indian,' this in reality referred to people from some twenty countries that exist within the Indian continent – each with distinct characteristics. The commentator maintained that the Indian community is divided in many ways. Firstly, the language of India is complicated with 1600 mother tongues, and as language is a very good "*binder of communities*" many Indians only have English as the common language. Secondly, regionalism is very strong, with all Indians having two identities – national identity and sub-national identity from a particular state. Finally, religious differences meant that people may have come from a particular State but go to the mosque that people from other States also go to. Another commentator surmised that India is not a country at all - but a nation of nations, and that India is perhaps the only country in the world where everything changes when you move from one State to another: language, cuisine, costumes, the way business is transacted, attitude toward life, etc. The commentator concluded that if two Indians meet in New Zealand, they had to speak in English unless they were from the same State, as India is the only country in the world that does not have a national language. He gave the example of when he spoke to his production manager, it had to be in English as they did not have a common Indian language. Therefore, if it is accepted that language is a binding factor, that bond does not exist for most Indians. As a consequence, in Auckland there were many Indian associations that ran their own programme in their own language, and each was as

vibrant as the next, but unity was very difficult to attain. A case in point was offered by Tiwari (1980) who identified this problem among the early Indian settlers. As a way of solving their integration problems, the Indian community developed a strong New Zealand Indian Central Association with the chief aim of preserving the Indian cultural identity, which seemed to be threatened by the foreign culture and religious beliefs. However, Tiwari pointed out that with the founding members being mainly Gujarati and Sikh, the Association did not attract Indians from other Indian States who lived in New Zealand.

The notion of a homogeneous New Zealand Indian community, let alone a business community, appears to be a New Zealand misconception which belies the complexity and disconnectedness which exists. Indian IERs, never-the-less, did discuss their desire to support their ethnic community in various ways (n=7), from employing their homeland people or immigrants already living in New Zealand, to involvement in community service and supplying products for their community. The prominent outcome was their employment of ethnic workers. One factory visited during the interview stage of the full immigrant entrepreneurship study was completely operated by Indian workers, while in another case a restaurant owner spoke of recruiting chefs solely from India, and another employed solely Indian management. As one Indian IER stated: *"Basically my culinary skills are nil. I never wanted to get into cooking, I concentrated on the management side of the business, bring the chefs in and letting them do the work, the cooking side."* In discussing ethnic networks Xiang (2001) spoke of 'body shops' having a strong influence in recruiting workers. That is, most Indian business people found workers through friends of friends and other connections; and that these ethnic networks often facilitated new immigrants' entry into the New Zealand labour market. Tiwari (1980) commented that Indians have always lived and worked in groups in New Zealand; and that this characteristic is quite evident today. In support of this, Palakshappa (1980) stated that while adjusting and achieving in the economic sphere, they have depended solely upon their own initiative and the support of their family and their community. The inference being that in relationship to employment, the community link has grown in importance. Indian IERs did, however, comment that they did not always feel that their support of the Indian community was reciprocated in business patronage.

Indian IERS connection with the broader New Zealand community was not as prominent in the case analysis (n=4). Never-the-less, Palakshappa (1980) argued that both Indians and Pakeha have very good business relationships and even socialise to some extent, but also raised the issue of some resentment among Pakeha. Therefore, Indians tended to remain discrete in their interaction with the New Zealand community. Palakshappa pointed out that from the outside an Indian house is inconspicuous whereas the interior of the house bears all the hallmarks of 'Indianness.'

Characteristics

The case analysis found that Indian IERS had difficulty identifying clear Indian characteristics. This in itself is not unusual as a commentator suggested that it was difficult to define because when speaking generically about Indians it referred to 20 countries each with different characteristics (as highlighted previously). The commentator did, however, suggest some commonality through spiritual affiliation with common values - whether Hindu, Muslim, Sikh or Christian. Furthermore, that Indians are basically a nation of "romantics, movies, and songs," they are an accepting society, good workers and most importantly have a belief in non-violence. The only major identifier raised by Indian IERS was that Indians display respect - in particular respecting the knowledge of elders: "We respect our parents and if we start anything, like before I start and my husband start the business he ask for advice from his father. Because that was our money but we think that we should take advice from elders. Because they have more experience, they have more life's experience and they know well everything." Wilson's (1980) description of the Indian character put emphasis on their acceptance of the cyclic nature of the universe, and the belief in the law of karma and kindness to all creatures. Wilson stated: "The law of Karma: the habits or psychological tendencies that actions build up in us. Habits once formed are hard to break; they hold sway over us for a long time" (p. 89).

Business strengths and weaknesses

In discussion of how ethnic characteristic translate into business strengths or weakness, Indian IERS focused on what they perceived as their ethnic business strengths rather than their weaknesses. Culturally grounded characteristics and values (n=8), and a flexible attitude to business (n=4) "most of the Indians who are here actually want to go into a business regardless of what it is or it may be," were viewed by Indian IERS as the major

business strengths, and reflected their high level of business confidence. Within the context of the previously discussed profiles, extended family (including kinship and marriage), cultural assumptions, religion, social networks (not necessarily ethnic) and hard work rated highly, for example *"They are also pretty hard working and quite dependable you know."*

Indian IERs saw a lack of confidence in engaging in business as sometimes being a weakness. The commentators identified a Indian community's strength of 'flexibility', suggesting that they are prepared to accept most opportunities. As one commentator said *"they looked to be in the right place, at the right time, doing the right thing."* Therefore, overall the case analysis identified Indian's flexibility and adaptability as significant sources of competitive advantage in entrepreneurial activity.

National identity

Half the Indian IERs admitted feeling a mixed sense of national identity. Comments such as *"I am also a Kiwi but I won't forget that I am an Indian"* were common. They often appeared to live in both worlds, as in *"equally divided by emotion."* Hence there was no strong unified national preference or identity among IERs, although they had all become New Zealand citizens - on the one hand - and retained their unique cultural identity on the other. Palakshappa (1980) emphasised the family transfer of Indian identity as a high priority and suggested that children grew up in the midst of Indian symbols. Another feature of identity related to religious affiliation, as Shepard (1980) argued that Indian Muslims felt their Muslim identity somewhat more than their Indian identity. IERs were conscious that this retained Indian identity should not segregate them from the broader New Zealand community. In fact, some Indian IERs (n=3) commented on their concerns with the development of ethnic enclaves. They felt that if migrants arrived with limited English and socialisation skills, they would be alienated and disadvantaged in settlement, as well as potentially damaging the receiving country. As one IER commented (in speaking in first person about other immigrants): *"Because I'm an immigrant and I don't speak English I want to be comfortable and feel comfortable so I live in a ghetto. I stick around with only my people because I feel comfortable because I speak the language. You see the barriers it creates when you don't open the doors correctly - forcing me to go into a ghetto, you are forcing me to mix with only Indians, you are not allowing me to be free and chat with*

everybody, talk about rugby and stuff like that because you are not making it a criteria to learn English. That's the biggest problem we have I think in New Zealand."

Kasanji (1980) argued that integration into a New Zealand identity is always problematic for Indians because of the visibility of their traditions, social customs and values, language, and religion. Therefore Indians gravitate towards their own ethnic groups - forming their own associations with cultural orientation towards their homeland. It can, therefore, be argued that even though New Zealand nationality has been taken and adaptation has occurred in many aspects of Indians' daily lives, full integration into New Zealand society has not occurred. In fact, the Indian community had maintained their distinctive identity in New Zealand society. This certainly reflected the perceptions and actions of the Indian IERS in this case analysis.

Language

Language was also linked to identity and generally the Indian IERS spoke of an emphasis on the English language in business and at home. Half of the IERS did believe bilingualism was important within their family *"generally I would say half and half. One is Gujaratee and the other one is English."* Although a social commentator believed a lot of lip-service was paid to the importance of maintaining the homeland language, because for Indians in New Zealand, native language is a dividing factor as there is no common language (as discussed previously).

8.3.4 Homeland

Personal connections

Indian IERS had strong personal connections to their homeland (n=10). They saw the family connection as important *"I do phone in once in a week,"* although few (n=2) spoke of the need for their New Zealand business to support family in the homeland. One commentator suggested *"people who come here, adapt to the New Zealand environment and there are few diehards that keep links back home."* In contrast to this comment, Indian IERS had made regular visits to their homeland (n=9), and some did speak of possibly returning to live in India some time in the future. This would suggest that they display sojourner traits, although in the purest sense many migrated on a permanent basis and simply wished to go back to India in their latter years. Shepard (1980) confirms that ties with the home country

remain strong and that most migrants have family members in their country of origin, therefore they visit their home towns or villages with some regularity. Also, the connection to homeland with regard to arranged marriages was strong (Palakshappa, 1980; Shepard, 1980) and confirmed by a commentator stating that there are always those who came from a traditional background that went back and get a bride from the same stock. However, Elliot and Gray (2000) argued that the geographic distance is a barrier to meeting family and cultural obligations, particularly with regard to visiting - although, for Indian IERs who have become financially independent, travel cost was not a factor.

Business connections

Few current business connections with the homeland were identified (n=3), although some Indian IERs intended to generate business connections in the future (n=3). Similar levels of international activity exists for Indian IERs in Australia (Duncan et al., 1997), but as discussed earlier, there is the unfortunate fact that New Zealand business people seem to be hesitant to utilise immigrants with contacts (Janes, 2006). As one Indian IER stated, about the challenges he faced in setting up a log exporting company in New Zealand: *"Because I tried to do business in New Zealand it was even harder because they would always treat me differently."*

8.4 Business Profile

8.4.1 Drivers

Financial versus personal

Financial considerations - specifically material rewards and security (n=3) - were business drivers for Indian IERs. Nearly half (n=4), pointed out that personal wealth beyond financial security was not the driving force *"I guess for me to be successful, not money wise, but to be a successful person, a father, and integrate into society."* In fact, business reputation (n=6) and sustainability (n=4) rated higher than financial considerations. The cultural context of material wealth was explained by Tiwari as being interconnected with spirituality, in stating that *"Lakshmi, or the goddess of wealth, is a popular deity of the Indians who recognise and accept wealth (artha) as one of life's values"* (1980, p. 26). A

commentator agreed that achieving a good income was important for Indian business people, but that the primary ambition was *"to be someone,"* This reflects the conviction of the IERs in this case analysis, that is, acceptance within society through business success.

It is not surprising; therefore, that self actualisation was very prominent among Indian IERs. The personal need for autonomy rated very highly (n=7), as they liked being in control and were independently minded *"I want to be my own boss and I need to be – I like freedom."* The material motive presented itself at this point with respect to their desire to be rewarded for their efforts, as opposed to material wealth being the goal itself.

Achieving 'quality of life' for themselves and their family was identified by only three Indian IERs as impacting on their desire to go into business. Interestingly this result was significantly lower than the 'quality of life' migration driver. A commentator suggested *"few would think 'I want to do this for the family', that comes automatically and is built into the cultural values. What they want is to do something on their own,"* hence the personal drivers dominate. Furthermore, the natural conditions such as a clean green New Zealand and personal freedom are aspects of New Zealand quality of life that Indian IERs and their family relished. So perhaps it was not surprising that quality of life did not rely solely on business success, as they perceived New Zealand's natural environment as already delivering this outcome.

External catalyst

The case analysis only identified one 'forced' entrepreneur, however, factors of disadvantage such as language, discrimination and employment dissatisfaction influenced the decision-making of most of the IERs in this case analysis. Career dissatisfaction or lack of career development opportunities (n=7) rated highly in the decisions to become self-employed *"it's really hard to find a job here."* Fernandez and Kim (1998) support this assertion in saying that the more immigrants are excluded from mainstream occupational opportunities, the more they tend to enter self-employment. A commentator argued that Indians preferred to be employed (discussed previously), but most were driven by not being able to get 'that' job. The commentator continued by saying that they then capitalised on what training they had and went into business. This case analysis did not, however, directly connect work dissatisfaction with some sort of labour market discrimination, but reflected

more a desire of Indian migrants to improve their work situation or better utilise their skills. Much as Basu (1998, p. 324) confirms in the study of Asian business owners in Britain: “[The study] refutes the forced entrepreneur hypothesis, stating that the overwhelming motivation was a desire for independence and financial prosperity.” A second commentator remarked on the Indian mind-set as influencing self-employment decisions: *“Indians tend to have a good work ethic. They are conscientious, they are more organisational in their thoughts, they think of the organisation rather than the guy heading the organisation. So they tend to question how and why a company is running. They think ‘I could be the man running it.’ That’s the way an Indian thinks.”*

The case analysis also highlighted the importance of interpersonal influences in the decision to become self-employed. Influences such as family emotional, financial and labour support were common, as in *“Asian parents will throw whatever it takes to get children settled. My parents put up 50,000 grand or something.”* Indian IERs also benefited from non-family support such as interaction and partnerships with colleagues and friends, as in *“so we settled down in 1986 and the company I was working for at the time, and just the people I was associated with were pushing, why is there not an Indian restaurant in Christchurch?”*

Consistent among Indian IERs (n=7) was the proactive ability to seize opportunities when they presented themselves. In this seizing of opportunity there was often the identification of niches within the broader New Zealand community, as opposed to simply focusing within their ethnic community. These individuals had the ability to take these opportunities, as Xiang (2001) confirms was the case with Indian IT workers in USA. But Hiebert (2003) warns that desire alone is not enough to succeed, and that the presence of class resources (i.e. capital, education, skills) are decisive in the process of business formation – which is discussed in greater detail in the next sections.

8.4.2 Learning

Academic

The case analysis identified that Indian IERS (n=9) had completed some form of University or Polytechnic study. Predominantly, higher education was of a non-business nature (n=7). Furthermore, the Indian IERS had overall higher levels of qualification than the general New Zealand-Indian population, which was already significantly higher than New Zealand's general population (Table A3) – except with regard to vocational qualifications. A study of Asian (including Indian) business owners in Britain by Basu, inferred that “there is strong evidence of an association between the level of educational qualifications and success” (1998; p. 325). Basu suggested one reason for this may be that education contributes towards lifting the entrepreneur's internal resource constraint, and gave the example of education improving the communication skills required to negotiate with bankers, which in turn helped remove external financial constraints. A further impetus to the benefit of education was Basu's finding that it enhances an entrepreneur's analytical capabilities, which is important to effective business start-up and growth. However, there were some comments by Indian IERS of problems with their homeland qualifications ‘fit’ in the New Zealand work context in respect of employment opportunities or their relevance in business. Half of the IERS were, therefore involved with some form of formal education in New Zealand since beginning in business. The theme of ongoing benefits through formal learning was consistent with overseas trends, where Asian host-country graduates were more likely to be involved in self-employment than non-graduates or home-country graduates (Min & Bozorgmehr, 2003).

Table A3: Indian Immigrant Education
(Resident population aged 15 years and over, 2001)

		Indian	New Zealand Population
Highest Qualification	University degree	21.4 percent	10.9 percent
	Vocational	13.4 percent	18.3 percent
	School quals	40.5 percent	35.7 percent
	None	13.0 percent	24.6 percent
	Not stated	11.7 percent	10.9 percent

Source: Statistics New Zealand. 2001 Census. Wellington.

Practical

The Indian IERS were identified as having significant practical experience. Generally they were previously employed in the industry of their entrepreneurial activity, or had some

other in-depth industry knowledge (n=7). They were unanimous in the view that there was a need for considerable ‘learning on the job’ once they engaged in self employment, and that this was vital to their success “*academic helps when you get into the workforce, but then you go along and find that it is the day-to-day practical experience, customer focus and interaction with people - that’s what makes a successful business.*” The perception of Indian IERs was that practical experience was slightly more important than education as a prerequisite for their entrepreneurial activity, but formal education was also highly valued “*academic learning is OK but practical business experience is essential.*” Hence competitive advantage was considered to be using their skills and work experience to establish businesses in sectors where there was demand but insufficient supply or poor quality. The Dunstan et al. (2004) study also raised the importance of business experience, while the commentators spoke of Indians taking the initiative themselves in seeking knowledge – whether that be from conferences, workshops, universities, peers, practical experience etc. They argued that Indian IERs seek out the knowledge they felt was necessary to achieve business success.

External support

In addressing the academic and practical needs of setting up and running their businesses Indian IERs generally used some form of professional or peer support, if they felt there was a lack in their personal knowledge. Accountants (n=8) were highlighted as the most prominent professional, and were used in varying degrees - from advisors to purely functional tasks “*We just use an accountant purely for filing GST returns and end of year accounts.*”

The input of a spouse (n=6) also rated highly “*my wife and I are totally involved in the business.*” as they often brought complementary skills or another perspective to business issues. Lawyers or other business professionals were used sparingly, and there was a prominent group (n=7) that were reluctant to take professional advice because they did not see the value, as in “*the accountant is the last one I get advice from,*” or were suspicious “*mentors are very dangerous.*” A commentator affirmed “*to a very large extent Indians don’t depend on others.*” The case analysis, did identify that the Indian IERs were more inclined to talk with and seek advice from their peers (n=7), that is, other business people

and community members whom they respected: "My two best friends, one guy is the head of finance at a charter bank in Hong Kong and my best mate a CEO in Tokyo. So those two guys have always done well and generally making sure I'm on the right side of the fence. And I will ask 20 people about it and I will take all their 20 opinions and then I will make a decision. So I take advice from people all the time who I think will probably know what I am looking for and then I will make a decision based on their advice. So I wouldn't just go on a whim, I would take advice."

Role models

With respect to role models, most IERs (n=9) did speak of being inspired by others, from family members and colleagues, to national figures such as Mahatma Gandhi (n=3). Palakshappa (1980) confirmed that the Gujarati homes are decorated with photos of Mahatma Gandhi. A commentator also spoke of Gandhi's importance to Indian social and business behaviours, although he did caution that such influences were waning within the younger generation. Another commentator spoke of the importance of examples of rags-to-riches stories in India, as inspiring entrepreneurial activity. The Indian IERs themselves did not reflect on any responsibility to act as role models within their community.

8.4.3 Finance

Financial practices

Indian IERs identified financial competency as essential to their success (n=7). They expressed a need to be responsible with money, and manage those finances frugally and with care "budgeting is the most important thing, to have your priorities right, your planning in advance; and once you have planned whatever happens don't exceed your budget because that will be the beginning of the end of your business." A typical comment was that financial responsibility was part of their overall lifestyle and belief system. This sentiment was also reflected in the research by Tiwari (1980), who stated that most Indians live a life of simplicity and hard work.

Access to finance

The raising of capital occurred mainly in the social context of Indian IERs' family, colleagues and friends (n=7). The sense of family obligation to assist its members is supported by Basu's statement that "Asian entrepreneurial entry depends significantly on the access to internal or informal rather than formal sources of advice and finance" (1998, p. 324). On the other hand, Dunstan et al. (2004) argued that a high proportion of new immigrants migrated with significant funds and that about a third of recent Indian IERs used start-up capital that originated overseas. Commentators also confirmed that the post-1990 immigrants were often self funded, used family money or family security, as one commented *"mortgaging the house is still a common form of raising capital."* The banking system was generally not the first source of finance; in fact, half the Indian IERs had experienced difficulties with dealing with banks. A commentator suggested that only in the past few years have financial institutions been more outgoing in taking risks with immigrant businesses. This has been a slow evolution, and Indian IERs highlighted the difficulties they faced in raising institutional capital, therefore, personal and family capital was still the cornerstone of business start-ups. In many respects capital difficulties mirror those of entrepreneurs in general, however language interpretation, lack of understanding of the New Zealand institutional context, and not being taken seriously, did disadvantage Indian immigrants in their dealings with financial institutions. Basu (1998, p. 324) contended that "[a]lthough most entrants are willing to borrow from banks, many have experienced difficulties in obtaining such financial support." But, on the other hand, as already discussed, strong family networks did facilitate other forms of funding – therefore funding did occur.

Indian IERs did identify cash-flow (n=5) and other financial pressures (n=4) as major issues in establishing and growing their businesses. This was often compensated for through their traits of a parsimonious lifestyle and working very long hours.

8.4.4 Characteristics

Type

Generally the case analysis suggests that it is unwise to pigeon-hole Indian IERs into stereotypical business types, although the literature did support the stereotypes of market

gardening and dairies/superettes (Palakshappa, 1980; Tiwari, 1980). The case analysis did, however, identify a service industry dominance (n=7) and a predominance of 'one site' businesses. A commentator, who felt stereotyping was unfortunate, addressed this issue in pointing out that although most dairy and superettes were owned and operated by the Indian community, and that many Indians may be taxi drivers; on the other hand, there were the lawyers, doctors, accountants, consultants and engineers working for themselves. Another commentator also made reference to the broader range of business activity, such as log exporting and the new white collar migrants in the non-traditional businesses such as software and consultancy. What they did suggest was that when an entrepreneur was found to be successful, it was common for other Indians to jump on the band wagon and try to emulate that success. They cited examples of this occurrence in the car retail and restaurant industries – hence perpetuating the stereotyping in various industry sectors.

Focus

The majority of IERs (n=8) stated that their businesses had a general New Zealand market focus, with only a small number identifying a clear ethnic embeddedness of their business activities. Even within the ethnic food industry the Indian IERs stated that they catered for a more general market, as in *"we are more closer to the European Kiwi people than Indians."* Palakshappa (1980) suggested that business is a potential contact area with the broader New Zealand community and Indian IERs sought to exploit this opportunity for contact. A commentator agreed in stating that Indian entrepreneurs did not look particularly at the Indian market but at a broader base. Furthermore, the small nature of the New Zealand market did limit the ability of Indian IERs to take advantage of local ethnic networks as is the case in countries with larger and denser ethnic populations. Only one Indian IER identified any international focus for their business activity.

Development

The business start-up process varied considerably within the case analysis, with an even split between small start-ups and buying established businesses. A commentator suggested that generally Indians don't enter into big ventures. No emphasis was placed on discussing the problems associated with business start-ups (beyond those previously discussed), which may be explained by the accepting nature and adaptability of Indian IERs. They expressed a desire to grow their businesses (n=9), however, rapid growth may have been impeded by a

cultural disposition to remain unnoticed and avoid becoming unnecessarily public (Palakshappa, 1980). Some IERS also identified staffing as a challenge to growth. Palakshappa suggested many Indians have a fear of employing Pakeha labour because of their possible behaviour. In this case analysis there was evidence of IERS' employing predominantly Indian workers, although whether there was a reluctance to employ Pakeha wasn't an evident theme. In contrast Fijian-Indians were strong multi-cultural employers.

8.4.5 Philosophy

The business philosophies of Indian IERS raised few consistent themes. The most prominent theme related to people focus as they spoke of the importance of their staff, customers and community. They also discussed a big picture perspective, in which they believed that who they were and what they received was a product of their behaviour - which links into the Indian spiritual belief in karma. One commentator stated that *"the major factor they view as vital is hard work. If you are hard working they can overcome any challenges they come across. They feel if they kept at it and go after it they can be a success."* This, again, was a common theme that has run through the entire case analysis of Indian IERS.

Honesty, integrity and fairness were highlighted by many Indian IERS as part of their business philosophy, especially with regard to how they treated their customers *"I've never ripped anyone off, you know, give a fair deal."* A strong customer satisfaction orientation was evident among Indian IERS (n=7), as they saw the link between customers and profitability *"my expectation, I would certainly like to maintain a healthy profitability, as a business owner, but I always know that means putting people and customers first."* Indian IERS based much of their marketing strategy around a reputation for quality and a belief that 'word of mouth' was an important factor in their business success. Quality in all aspects of business was viewed as important, for example, a commentator argued quality helped Indian IERS overcome discrimination in business in New Zealand: *"If an outlet provides a quality service or product, nothing will hold people back from going and buying that service or product."*

APPENDIX 9

A CASE STUDY OF PACIFIC PEOPLES IMMIGRANT ENTREPRENEURSHIP

This Pacific Peoples case analysis is part of a broader study of four ethnic groups, Chinese, Dutch, Indian and Pacific Peoples. This case focuses discussion on the nature of the Pacific community's entrepreneurial activity in New Zealand and is based on triangulated research undertaken from September 2005 to May 2007, consisting of: (1) eighteen face-to-face or telephone interviews with eleven Pacific IERs; (2) two face-to-face interviews with Pacific community leaders⁶; (3) and a review of the relevant Pacific migration literature. The case study evidence is presented in a format based on the structural outline of the immigrant entrepreneurship model (as outlined in Chapter Six), where the following four constructs were utilised: migration profile, settlement profile, cultural profile and business profile.

9.1 Migration Profile

9.1.1 Homeland

Geographic origins

Pacific people come from a broad geographic spread, with the Pacific IERs or their parents arriving from Islands such as Cook Islands, Nuie, Samoa, Tonga and Tokelau Islands. With geographic diversity comes a strong sense of cultural and demographic distinction between the various Pacific communities in New Zealand. Gough (2006) reflected on this unique nature of the Pacific Peoples in referring to the example of Samoan's pride in their islands beauty and their strong culture - fa'aSamoa. The case analysis did, however, highlight a belief within Pacific IERs of unity among Pacific Peoples with regard to the challenges they faced establishing themselves in New Zealand (as will be discussed in detail in the settlement and cultural profiles).

⁶ Ethnic community leaders are referred to as 'commentators' in this discussion.

Residence

The first generation Pacific IERS came from 'rural' Island backgrounds, while the second generation New Zealand-born came from urban (city) backgrounds. The evidence of the full immigrant entrepreneurship study suggests that urban (homeland)-to-urban (New Zealand) migration was the most compatible with entrepreneurial activity. There were also examples of rural-to-rural and urban-to-rural success, but rural to urban migration was least compatible with entrepreneurial activity. As first generation Pacific migrants fitted the rural-to-urban profile, whereas second generation New Zealand-born consistently fitted the urban-to-urban profile (see also Settlement profile/arrival), it may therefore not be surprising that urban based second generation Pacific people appeared to have a higher business orientation than their rural first generation counterparts.

Pacific IERS highlighted the fact that they had also engaged in overseas travel (n=6), such as their own personal 'overseas experience' *"Then I had an opportunity to go overseas so I stopped doing what I was doing and I went overseas for a few years to the UK."* They felt this added valuable skills to their entrepreneurial activity when they arrived in or returned to New Zealand.

Interpersonal/family dynamics

Pacific IERS in this case analysis were generally from large families and working class backgrounds. This was regardless of whether they were first generation migrants or second generation New Zealand-born. The commentators pointed out the diversity of Pacific migration, in stating that many earlier migrants came from a moneyless society and subsistence living, while other more recent arrivals were fairly well educated migrants who had worked in the civil service in the Islands. Mixed ethnicity parentage (n=5) was more prominent among Pacific IERS than other groups in the full immigrant entrepreneurship study. Sport (n=7) was also highlighted as a prominent feature of their family background *"he [father] took up boxing instead and became a professional boxer."* Religious beliefs were identified by all Pacific IERS as influencing every aspect of their daily lives, *"I'm a Christian and for my personal life I always have a quiet time with God,"* and being fundamental to their family and community roots *"go to church and support each other that way through the church ministry."* A commentator drew attention to the example of a Catholic church in Christchurch, which was predominantly patronised by a congregation

from the same village/family, to highlight the interconnected nature of faith, family and community. Their faith and its community interconnectedness were also displayed in the way they engaged in business activities. These issues are discussed in further detail in the cultural profile.

Work dynamics

Pacific IERs had varied family work histories. They generally referred to their parents as coming from a broad spectrum of blue and white collar employment, and they spoke of having experienced some entrepreneurial activity within the family. Many second generation New Zealand-born IERs reflected on their experience of both parents working long hours to establish themselves in New Zealand, as in *"I think my mother started by cleaning floors in Auckland hospital, she didn't know what a mop was, and my father he was sweeping floors so that was factory work."* This perspective was also highlighted by Jennings (1997, p. 25) in which she said of her childhood "she [mother] worked as a nurse aide and, as soon as we got home from school, she'd be dressed and ready to go to work. ... My father was a labourer and he was working two jobs, he was seldom home." The Pacific IERs themselves also came from varying homeland work backgrounds, but white collar was prominent among second generation New Zealand-born.

9.1.2 Drivers

Family

Having an established family network in New Zealand was a strong motivating factor in many of the Pacific IERs or their parent's decision to migrate. Gough (2006) found that, within the Pacific community, individuals came first and would then be followed by other family members seeking employment, therefore creating a 'snow-balling' effect of migration to New Zealand. A commentator expanded on this assertion by saying that many migrants who came from village subsistence settings, needed the New Zealand contacts to facilitate migration. Because of the lack of opportunity in the Islands the decision to migrate was a fairly easy one, if they had family contacts in New Zealand and a likelihood of job opportunities. A second commentator confirmed that first and foremost migrants relied on their families to help them out, and therefore congregated where their family or village members were the strongest. In New Zealand this ultimately manifested itself

through the development of urban enclaves (discussed in greater detail in the settlement profile).

Quality of life

The overwhelming personal driver for Pacific IERs or their immigrant parents was the perception that they would achieve a better quality of life *“definitely for a better way of life.”* As a commentator suggested, the resources at home were rather limited, thus Pacific people came for better opportunities. Rather than directly stating this in the case analysis, Pacific IERs often implied the ‘quality of life’ driver through their desire for better career and education opportunities (n=9). Some second generation New Zealand-born IERs felt that their parents have migrated to give them greater opportunities *“they came here pretty much for us to get an education.”* This was also confirmed in the literature (e.g. Jennings, 1997) and by the commentators’ observations, such as *“they had a dream that their kids would be academically successful.”* Gough (2006) raised a further issue related to the prestige associated with migrating, in living abroad and earning wages, but also being able to support family back home.

Homeland dissatisfaction was not a significant driver for Pacific IERs or their parents. Many spoke of idyllic island settings and that migration, as discussed above, was purely a family or betterment issue. As Jennings reflected on visiting her homeland: “Seeing what subsistence living is all about, you realise it’s not all fun” (1997, p. 24). The ‘pull’ factor was, therefore, highlighted by this discussion as New Zealand beckoned with a higher standard of living, job opportunities in factories and the service sector, and a western education system. Gough (2006) also argued that the South Pacific now has a culture of emigration, and that the lives of Pacific people are increasingly embedded in their international mobility.

9.1.3 Immigration

Pacific IERs or their immigrant parents arrived in New Zealand as citizens (from the Cook Islands and Nuie), or from other islands without citizenship (Samoa, Tonga etc) who quickly sought New Zealand residence. There was an even split between those migrating alone or as a family unit. They left the Islands with limited financial resources (n=6) but

had some knowledge of New Zealand. Commentators also agreed that lack of finance was an issue, but language barriers also made migration difficult.

Contrary to other groups in the full immigrant entrepreneurship study, only one Pacific IER discussed difficulties with New Zealand's immigration processes. This may have been a consequence of the neighbour status the Pacific Islands have, the New Zealand nationality held by Niueans and Cook Islanders, and the position of economic and social responsibility countries such as Australia and New Zealand have taken to the treatment of the Pacific Rim community. An example of the special status is New Zealand's adoption of a Ministry of Pacific Island Affairs, which operates as an advocate for the New Zealand Pacific Peoples.

9.2 Settlement Profile

9.2.1 New Zealand Arrival and Societal Fit

Residence on arrival

The case analysis identified that Pacific IERs were either born in New Zealand cities or resided in a city on arrival in New Zealand. This was also confirmed by a commentator who suggested that for Pacific people it was a lot easier to migrate to where there were others whom they could rely on, such as family and church. The commentator added, however, that this did have the negative effect of limiting broader New Zealand based opportunities, for example, job opportunities in the rural sector. Zodgekar (1980) confirmed that the Pacific community is far more urbanised than the general New Zealand population. This outcome confirms the typical scenario in the full immigrant entrepreneurship study, in which IERs predominantly resided in the major urban centres. In the case of the broader Pacific community, they were the most urbanised of the four study groups.

The case analysis also identified that Pacific IERs were the most likely to form enclaves. A commentator remarked that they congregate where their village and family connections are the strongest. The Pacific Peoples predominantly live in the main urban areas, with the majority living in the Auckland region. For example, one in four people living in Manukau City (a major council area within the greater Auckland City District) were of Pacific ethnicity. The only other significant concentration lived in Porirua, Wellington (Statistics

New Zealand, 2001b). A further reason for the enclave phenomena was the major transitional challenge Pacific people faced in their adjustment from island life to city life. As another commentator stated "I could safely say that those that come from the smaller islands get a fright with the transport in terms of the fast cars, trains and everything else that moves at a 100 miles per hour. In comparison to where they came from where people walked around." The difficulty with transition could, therefore, be lessened by strong family and community connections.

Employment on arrival

Some Pacific IERs or their parents entered into work immediately on arrival in New Zealand (n=5): "My father was a church minister. He was invited to teach at a Tongan bible college here," and "they came during the boom time, I suppose, the industrial boom time of New Zealand when jobs were plentiful," whilst others had difficulties finding employment or entering the education system. The commentators remarked on the difficulties Pacific people face in gaining employment, with one suggesting that often Pacific people chose work in the city when there are opportunities in the rural area. Pacific IERs did comment that Pacific people faced some discriminatory practices in the labour market in New Zealand, which was confirmed by a commentator who stated "it is still hard to find a job, even if well educated. There is the perception that migrants are not up to the standard. This is a challenge for the machinery in New Zealand to understand the Pacific, and Pacific communities understanding the machinery and how to get past it." The broader immigrant literature confirms that discrimination and social barriers are evident in labour markets worldwide (e.g. Apitzsch, 2004; Benson-Rea & Rawlinson, 2003; Dunstan et al., 2004; Mace et al, 2005). Yet there was no evidence of unrealistic job expectations among the Pacific IERs or their parents, hence work dissatisfaction was not an apparent driver of self employment as was seen among other ethnic groups. The accepting attitude was summed up by a commentator's statement "I suppose those that are well educated back in the islands and come here with a degree; they all look for white collar work first off and if they can't find that they will look for blue collar work."

All Pacific IERs had fully integrated into the workforce prior to their business ventures and thus had all experienced some form of employment. As a commentator confirmed "we first

try to find a job before getting into business.” They were employed in both blue collar and white collar occupations. This is comparable with figures from Statistic New Zealand (2001b) which indicated that the most common occupational classification for Pacific Peoples were plant and machine operators and assemblers (12,804), followed by service and sales workers (11,382), and clerks (110,107).

Social integration

Pacific IERs remarked that they or their families had experienced some difficulty with social integration in New Zealand (n=8), especially with respect to language: “My English and my knowledge is not good enough to achieve a better wages or another standard of living,” also “OK the first aspiration was to learn how to speak English a lot better,” and changed living context, “I mean, going from a village to city was actually quite different.” They also spoke of Pacific Peoples’ limited economic means, which confirms the social disadvantage theory expressed by Poot’s (1993) citing of Brosan’s argument that Pacific people are disadvantaged in New Zealand as they have neither the economic power nor resources of the Pakeha, nor the moral claim to resources of the indigenous Maori. A commentator did argue, however, that coming from the Islands and living on a tight budget was nothing new for Pacific people. To combat social disadvantage, the role of extended family was highlighted by commentators as vital, and within the full immigrant entrepreneurship study it was often reflected in the social obligation felt by Pacific IERs. Furthermore, it again supports Auckland and Wellington urban concentration identified previously. Another commentator considered that overall it was easier for the Pacific Peoples to establish themselves in Auckland because of the networks, critical mass and structures they now have in place to support new immigrants. Gough (2006) agrees that enclaves have been established as a result of the social and economic challenges that faced the Pacific Peoples over the last few decades. This enclaving manifests itself in communities working together and pooling resources, much like they would have done back in their island villages - in that they managed to survive to take advantage of what opportunities, were on offer. Coupled with extended family and community ties (as discussed later in the cultural profile), enclaves have offered a safe option. The case analysis does, however, suggest that many Pacific IERs no longer live within enclave environments and reside in the broader New Zealand community.

Difficulty with fitting into New Zealand society was also imitated in Pacific IER or their family's experiencing discrimination (n=7): *"They came back one night and all the locks were changed and all their baggage and belongings were outside,"* and *"I used to have huge bouts of tears over it, you know, because of the names that you would get called and that sort of thing."* A commentator lamented the new immigrants with always experience discrimination – whether it is real or perceived – and this will always be an issue. While Dunstan et al. (2004) conceded that there is discrimination against the Pacific community in New Zealand, but other ethnic minorities such as Chinese experience far more discrimination. As one Pacific IERs confirmed *"I think there are pockets of resistance still, and I think a lot of that at the moment is aimed at Asians."* Pacific IERs, overall, confessed that they were resigned to some level of discrimination: *"So that is something we have accepted that happens. We don't like to see it but we know it's there,"* but did not let it affect their business ambitions. As Jennings (1997, p. 26) stated *"I always regarded prejudice as someone else's problem – not mine,"* while a commentator suggested that where discrimination occurred it had driven Pacific people to succeed even more.

Overall the majority of Pacific IERs were satisfied with their own or their family's settlement. A commentator agreed in saying *"I think they have done well. You had the bad old days of the 1970s when you had the dawn raids but I think since then we have gone and assimilated into New Zealand quite well. We are a lot more accepted."*

9.2.2 Societal Perspectives

New Zealand characteristics

The case analysis did not identify any clear pattern in Pacific IER opinions about New Zealanders, except that they felt that New Zealanders displayed a level of disrespect and intolerance, which is outwardly expressed through discrimination as discussed previously. Overall Pacific IERs felt that New Zealand was a good society to live in (n=7) *"I mean I love New Zealand, I love the people, the culture and the country."* One commentator suggested that the cold was a negative factor for Pacific people, but conversely some IERs positively commented on enjoying the clean, green environment. Pacific IERs did make reference to some infrastructural problems in New Zealand affecting integration and business capability

(n=5) "No country is perfect, every country in the world has good and bad people - NZ is no different," but one commentator suggested that the infrastructure was showing significant improvements for all Pacific immigrants, citing the example: "Some of the things we have addressed with New Zealand immigration is to enable our Pacific People to have a better understanding of the services available to them; have pamphlets, fliers, leaflets, whatever else at the airports in their specific languages. So if you got to Christchurch then here is a list of all the hospital, doctors, transport and all that stuff."

What they bring to New Zealand society

Pacific IERs suggested that Pacific people brought depth and diversity to the New Zealand cultural mix (n=8) "collectively we bring colour and art, music, all those cultural influences that are now becoming mainstream." One commentator suggested Pacific people also bring humour, humility and spirituality to the New Zealand mix. Whilst a further commentator referred to the creativity Pacific business people bring to this country, but lamented that this was not being utilised in New Zealand in saying "we have NZ Inc but we do not see in NZ Inc the Pacific. 100 percent pure in the brand of New Zealand overseas but you don't see the Pacificness." The commentator went on to suggest that Pacific business people could make real contributions if their Pacificness was added to the New Zealand business framework – mostly in the form of unique products that could be exported over the world. Janes (2006) also highlighted the same issue for the broader immigrant community, in suggesting that the majority of New Zealand businesses are hesitant to use immigrants' natural capabilities and networks.

9.2.3 Business Integration

Level of business activity

Pacific entrepreneurial activity was predominantly among second generation New Zealand-born. A commentator regarded this as a natural evolution: "In the first wave of migration we were looking for a better life and employment was that chance – so that was the first step. We spent the first wave teaching our children and now we have a second wave of Pacific migrants that are coming through that are already educated together with those that are second generation New Zealanders now starting to look beyond

employment....it is part of the natural journey for any migrant community - the evolution and where we go to. Our young people are coming through well qualified and experienced through other businesses, and now wanting to start their own." This evolution may still be in its infancy because, overall, the 2001 New Zealand Census (Statistics New Zealand, 2001a) identified Pacific Peoples' self-employment as significantly lower than the New Zealand average. The census figures were 1.5 percent for self-employed (7.5 percent New Zealand average), 4.1 percent for self-employment without staff (12.4 percent New Zealand average) and a lower overall annual income for Pacific Peoples of \$10,000 (\$18,600 New Zealand average). To which the commentator agreed, "We are still early on in our foundation of business," and indicated that this transition needs to continue because of what he referred to as the 'browning of New Zealand' in saying "Studies have been done that suggest by 2050 half of the New Zealand population will be brown. So in 2050 the profile of New Zealand will be brown, well paid, and businesslike, if we are to be prosperous. But people in New Zealand have not bought into that idea, when in fact; the number of Pacific People in business in the next 20 years will determine how well we do as a country in the future."

Supportive/unsupportive factors

Pacific IERS commented on the challenges facing business start-ups with regard to knowledge and skills (discussed in detail in the business profile) and unsupportive New Zealand infrastructure. Only a few commented on the comparative ease in establishing SMEs in New Zealand (n=4). The small nature of the New Zealand market did not concern them and generally they weren't too concerned with the New Zealand regulatory and compliance environment – being rather philosophical about the situation and simply trying to get on with business, as IERS commented "I suppose it comes down to the individual to make sure they are prepared before you commence a commitment," and "but also I know it is a necessary evil, but surely we need to prioritise what is important and what isn't, yeah."

9.3 Cultural Profile

9.3.1 Personal

Life perspectives

Pacific IERS' values and beliefs were strongly influenced by religious affiliations (n=11). They spoke of their faith "that's through my faith, I am content with who I am, and because I know I am unique," the importance of their church, "the church played a very big part." the facilitation of community connection, "he [son] still does the Sunday School thing ... to still give him that bit of culture and a sense of how we were brought up, and not to lose the identity," and the connection to God "I always have a quiet time with God." The commentators also reflected on the huge role religion plays in Pacific Peoples' lives with respect to family and community.

The case analysis identified a low desire for independence among Pacific IERS, which may be a reflection of Pacific Peoples' stronger sense of community connection as opposed to individual consideration (as discussed later in the ethnic characteristic section). This may also be a factor in the lower level of entrepreneurial activity among the Pacific community - as identified earlier.

Business perspective

Pacific IERS' achievement orientation reflected a strong 'internal locus of control' (n= 10) and was reflected in comments such as "my feeling is that everybody can achieve anything if you really try hard enough and persevere," and "I think anywhere is a good place to live - really it is not the external things that make your life." They were very proactive in setting goals (n=9) "it was setting a goal and I just focused on the goal and that's what really motivated me." With a collective cultural predisposition dominating, they showed the lowest level of determination and perseverance to succeed at an individual level (n=4). A commentator suggested another reason for this phenomenon is that Pacific business people can lose focus over time as family, lifestyle and community obligations come to the fore.

With respect to strengths and weaknesses, Pacific IERs saw technical skill as a strength, while their interpersonal skills were seen as equally strengths or weaknesses. They also rated limited management skills and inexperience as definite weaknesses. Overall the Pacific IERs referred to weaknesses with more regularity – which may suggest a confidence problem with respect to their business capabilities within this group.

Work ethic

Work ethic was revealed as a prominent feature for all Pacific IERs, as the descriptors ‘hard working’ (n=7) and ‘long hours’ (n=11) were the most common themes in this category. A typical comment was *“but you’ve gotta do a lot of hard work,”* and about long hours *“the newspaper, you know, started at 5:30 in the morning and you don’t get home until maybe one the next morning.”* A commentator confirmed that they didn’t know any successful Pacific business people who were not willing to put in the long hours and make the commitment. Some Pacific IERs identified that work ethic as stemming from family role models (n=5). The literature argued from another perspective, however, in that rather than any particular ethnic predisposition, the ‘migrant factor’ was the driver of immigrants work ethic, as they search for social advancement as part of the migrant transition (e.g. Benson-Rea & Rawlinson, 2003; Whybrow, 2005), which may explain one Pacific IER’s statement *“I was a hard worker with no opportunity.”* A further issue identified by Pacific IERs in the case analysis was that long hours and hard work were often necessitated by a lack of capital, while a commentator wondered whether it was just a trait of business people themselves, therefore not reflecting the cultural trait. Irrespective of the opposing views the Pacific IERs work ethic was quite evident throughout the case analysis.

Generally the Pacific IERs were aware of the trade-offs that were required for working long hours, and a commentator stated *“those that are motivated to go into business are willing to pay the cost.”* The impact of Pacific IERs strong work ethic did manifest itself in high stress levels (n=8), although they tended to deflect the effects through strong faith and family relationships. Many Pacific IERs did comment on their desire to work less hours, which raised the issue of retention of the strong work ethic over time. As the commentator lamented *“though one of the things we have seen is after one or two years, is that effort still consistent? For some Pacific businesses one of the downfalls is they become distracted as business owners from what is the plan moving forward - putting in the*

hours, putting in the effort. And they start to think about other things, like wife's frequent trips back to the Islands and buying a nice new house. That's a trend I have noticed. Keeping on the course is a real challenge." A further commentator expressed their belief that the existing group of Pacific entrepreneurs had a strong work ethic, but had some concerns with the poorer work ethic among some of the New Zealand-born Pacific people as a whole, which would be detrimental to overall ethnic entrepreneurial development.

9.3.2 The Family

Dynamics

Strong family focus was evident among all Pacific IERs with comments such as "our family is very close," and "a very close family, so we did a lot of social activities together as a family." The Pacific IERs emphasised the importance of family unity "the family unit is, you know, the most important thing." Commentators also highlighted that family was critical and central to the Pacific Peoples' way of life. One commentator suggested that first priority was the church and then the family, while another reflected on the importance of family to their business makeup. The Pacific IERs family focus also included extended family (n=10), which Elliott and Gray (2000) state is different from the Western concept of immediate family priority. Many Pacific IERs took this extended family social obligation very seriously, with statements such as "family was very close and extended family was very important," also "my nephews and nieces, I bring them here [office] as often as I can during the holiday, just to be around," and with respect to creating job opportunities "probably the main reason really is just to help family out, some of our [extended] family didn't have jobs." The literature suggests that this is cultural, in bringing traditional family patterns from their home island (e.g. Douglas, 2001; Jennings, 1997). Elliott and Gray (2000) confirm that the obligations within Pacific families are extensive and the importance of family solidarity is constantly stressed to such an extent that a number of informal sanctions and pressures can be brought to bear on persons who attempt to avoid their social and financial responsibilities to their kin. Elliott and Gray also offered economic necessity a rationale for family commitment. They suggest the resource hypothesis, which states that individuals with the fewest economic resources (such as

migrant minorities) are most likely to live in extended family relationships when they emigrate.

The case analysis identified a mix of male and female Pacific IERs and these findings suggest that the cultural element of male line dominance was not a strong factor. There was, never-the-less, some reflection on the prominence of fathers being head of the family and the need to respect parents. Pacific IERs related the importance of the values transferred by their parents (n=9) with respect to work ethic and culture: *"I have been influenced a lot from Mum and Dad, mostly because of the way I was brought up. I see my parents, their faith,"* a finding that was also reflected in the literature (e.g. Jennings, 1997). Elliott and Gray (2000) asserted that within Pacific culture wives would obey their husbands and that the parent/child relationship was an enduring one which was maintained even after the 'child' marries and moves away from home. Hence Elliott and Gray pointed out that even 'adult children' are still obliged to 'obey' and respect their parents. Within the full immigrant entrepreneurship study, however, Pacific IERs highlighted the importance of family teamwork and the development of independence within their children – therefore displaying a weakening of the traditional family authority line.

Business connections

Nearly all Pacific IERs had some sort of family member involvement in their businesses (n=9). As pointed out by one commentator *"family has an important part in the business makeup,"* and another said *"largely the workforce are family and extended family and those that come from the Islands."* Furthermore, Pacific IERs all stated that they preferred family involvement. The literature reflected on the family's usefulness as an informal source of labour (Dana & Dana, 2003; Duncan et al., 1997; Elliott & Gray, 2000, Min & Bozorgmehr, 2003; Salt, 1992), but a commentator cautioned *"I can see why they would want family working with them, but they also take liberties that employees don't."* This cautionary note was also reflected in Pacific IERs highlighting the challenges of family involvement – especially with regard to the difficulty in balancing family obligations against business expediency (n=10). For example, with regard to the financial expectations, one IER made remarks about family *"they think I have a money tree out back!"* But conversely Pacific IERs were also the most prominent group to identify the benefits (n=9),

with comments such as “I have their loyalty and I can trust them and I think if you can get that out of an employee that’s fantastic,” and “reliability between ourselves and not having to think, you know, is he or she going to be there at work today or um be let down.”

Commonly Pacific IERs had their spouse working in their businesses (n=7) and they highly valued their input: “My wife working with me. In my various talks to the community about business I highly recommend that anybody that thinks of going into business on their own to have their partners, wives and husbands fully involved.” They reflected on the important dynamic it brought to the business and how important it was as a source of social capital.

There **were examples** during the case analysis of Pacific IERs having their children involved in the business, although they saw this as secondary to their children’s educational development (n=9). Pacific IERs placed priority on education over work, as they saw it as fundamental to their children’s independence and success: “I’ll send him to university and he will get a degree in business.” Gough (2006) reasoned that the outcome of managing to survive in New Zealand was to take advantage of opportunities, such as better education for their offspring. This view is also mirrored in a commentator’s observation that they use business to help their children achieve academically. Poot (1993) confirms that second generation New Zealand-born Pacific people have higher educational qualifications and incomes than the Pacific-born, and goes on to cite Larner and Bedford (1990) who gave the example of New Zealand-born Samoan women being more ambitious in terms of occupational mobility and having better labour market networks than their parents through better education.

Some Pacific IERs also reflected on their extended obligation to education in their ethnic community “In May we have the most Samoan students ever graduating from Otago university, it is fantastic. I hope that there are going to be more in the future of the second and third generation kids.” There were mixed views by Pacific IERs on whether succession would occur or even whether it was the ideal outcome (if at the expense of educating the children). As one commentator stated: “Not too many businesses getting to

that point yet. We are still very early in our foundation of business. Although you look at families of entrepreneurs in the Pacific and they are all handed down through the families. It's common to happen, but we haven't got to that stage yet in New Zealand."

9.3.3 Ethnic Community

Links

Pacific IERs emphasised the importance of a strong connection to the New Zealand Pacific community (n=9) and to cultural identity "one thing about Samoan community is that it doesn't matter where you are, you are a Samoan." Many Pacific IERs (n=8) highlighted the way in which they support the Pacific community in New Zealand. Gough (2006) referred to 'obligation' or 'service' that is expected within the Pacific community, whilst the Pacific IERs explained this obligation through comments such as "we always had people coming through from the Islands, through our place and then moving on," **taking leadership roles in their community** "so it is a very high title for someone female as young as myself - to be privileged to actually have - so those are the things that do make an impact out in the Samoan community because I get addressed on the formality and that Samoan way," **and supporting the community through their businesses** "if I can do something that will impact on that [ethnic community] whether it is through directly [IER's business] or through some other avenue, I am committed to finding a way in which I can do that." As a cautionary note Elliott and Gray (2000) suggested links were weaker among second generation, as they did not maintain kinship, family values and networks to the same extent as the Pacific Island born population.

Among the Pacific IERs there was no strong discussion of separation amongst the different Island communities, although they were proud of their unique identity and identified some clear inter-group differences. The unique island identities were evident in the ethnic literature, for example, Elliott and Gray (2000) commented on the different family structures between Samoan 'aiga and Tongan kainga, whilst Poot (1993) suggested Samoans and Tongans are more ambitious in the labour market than Cook Islanders or Niueans. A commentator contended that there is a danger in saying that all Pacific people have a relationship as they are separate communities, and gave the example of Niueans and

Cook Islanders having New Zealand citizenship while other Island people do not, which meant there was a clear distinction between those who have the right and those that had to fight to be here. Another commentator did, however, argue that Pacific people see benefits in maintaining a level of connectedness. This is in terms of having a critical population mass in accessing social services, health and education in New Zealand. The commentator also felt Pacific people were very disconnected from an inter-group and intra-group perspective in terms of economic and business development. Another commentator suggested that Pacific IERs feared that in discharging their social obligation there would be a huge drain on their business resources, stating that the drain would be too high under the pressure of the community expectation that the business had huge financial resources to draw on. Hence, there was a need for some separation of community and business, with a commentator saying *"some successful businessmen have drawn the line and said this is where I can help you and can't. It's not our business, it's my business."*

Pacific IERs were conscious of the need to balance the discharging their broader community obligation and securing their unique business identity. This social balancing varied between regional centres, as small communities such as Christchurch had a need for all Pacific people to work together far more than in Auckland where there were examples of cultural enclaves. Again a commentator highlighted the dilemma by saying *"we are smart enough to know that as a minority we come together as numbers, but there is a growing desire to not be lumped in one Pacific community."*

Pacific IERs' connection with the broader New Zealand community was not prominent in the case analysis (n=3) which may reflect a level of separatism in the New Zealand infrastructure and a negative side effect of the development of enclaves in Auckland and Wellington. However, there is evidence that some Pacific IERs are breaking the pattern and broadening their business networks and employment across ethnicities, as in *"well we employ the United Nations; like we have got New Zealand, South African, Iraq, Philippines, Hong Kong and we are actually looking specifically for a Cantonese. And I think that our actual base of clients is reflective of that."*

Characteristics

The case analysis found that Pacific IERS believed that the Pacific community had some identifiable characteristics. They identified a need to be respectful (n=6): “Just treating people respect - it’s a big culture thing for all Pacific Islanders, you know, you respect people, respect your elders and that’s a big thing that’s going on in New Zealand,” and “one of the big ones is respect for the family.” Church was identified as important (n=7) as discussed previously, which a commentator rationalised by saying “like anything, you look for things that are familiar to you and because our churches have migrated to New Zealand it is a familiar structure. Many ministers are from your home country so you already have a relationship with them. It is a very familiar structure for you to become part of and you might struggle to become part of networks somewhere else.” Linking into the church affiliation is what Gough (2006) noted as the importance of the ancient practice of reciprocity which is at the core to Pacific cultures and that the welfare of the collective is paramount and primary to that of the individual. IERS also commented on unique cultural identity (n=5) “I was brought up with the typical Samoan way of life,” (as also highlighted in the settlement section) and as a commentator stated “for them identity and culture are very, very important.” A level of casualness in nature was also commented on by IERS (n=6) “I think we are a bit more laid back,” and they were sometimes critical of this characteristic within their community “I think they don’t have a work ethic. I think they are too casual. I think in general they are a little bit too casual.”

Business strengths and weaknesses

In discussion of how ethnic characteristics translate into business strengths or weakness, Pacific IERS identified what they perceived as their ethnic business strengths, but overall tended to focus more on their weaknesses. Culturally grounded traits and values (n= 6) such as Pacificness, community, and creativity were identified as major business strengths by Pacific IERS, as was work ethic (n=3). They, however, saw their culture as more of a weakness than a strength (n=8) in business (e.g. casualness, pride and social obligation). A commentator argued that cultural values can deter Pacific people because they often say that business is a Western concept, but went on to suggest that in reality Pacific communities have traded amongst themselves for centuries so the concept of business should not be foreign to them. A’avua (2000), however, suggested that the Pacific

collectivist culture does not fit the New Zealand business model of individual success and personal acquisition. A commentator argued that the collectivist culture of sharing can lead to financial difficulties with regard to differentiating between the individual and the collective.

Pacific IERs were also concerned with the lack of business knowledge within their community (n=7) *"A firmer knowledge on how to run a business properly or a firm appreciation of how important it is to set up properly, register GST, your financials, and accounting systems. That is a vital part of starting business,"* and saw low confidence in engaging in business as a weakness (n=6), *"I think a lot of them undersell themselves as well."* Pacific IERs believed that this hindered Pacific community entrepreneurial activity and the literature suggested that this created an environment of having less opportunity to become self-employed (Dunstan et al., 2004), and hence less entrepreneurial activity than was identified in other groups within the case analysis. A commentator also suggested it limits the success of those that do go into business: *"For those that have no understanding of the business sense, the ones that do falter it is because of lack of understanding."* To compound this problem a further commentator argued Pacific business people were often too proud to seek advice – especially when they were having difficulties *"so pride gets in the way - refusing to take advice - thinking they know all the answers. That's come through with a number of people we have worked with."*

National identity

As Pacific IERs in this case analysis were mainly second generation (n=8) so they had a New Zealand nationality coupled with a Pacific identity, as one IER suggested *"a New Zealand Pacific Islander, is that a fair call?"* Gough (2006) argued maintaining both identities has its challenges in attempting to take advantage of what the 'new' world has to offer, while remaining loyal to tradition and the homeland. This straddling of two cultures has eventuated in derogatory terms within their own community such as the literature referring to the term 'spud', as in brown on the outside and white on the inside (Jennings, 1997). It can, therefore, be argued that even though New Zealand nationality is prominent among the Pacific Peoples and adaptation has occurred in many areas, full integration into New Zealand society has not occurred and in fact the Pacific community expects its

members to maintain their distinctive identity in New Zealand society. This certainly reflected the perceptions and actions of the Pacific IERS in this case analysis.

Language

Language is also linked to identity and generally the Pacific IERS spoke of the emphasis on the English language in business and at home, while only some emphasised bilingualism within their family (n=4). One commentator suggested, however, that more emphasis is being placed on mother tongues at the Pacific community development level – as opposed to the family level. Another commentator argued that language is one of the pillars of cultural retention and must be preserved and taught to other generations, but confessed that the problem is that business talks in the language of the dollar and that is not an ethnic concept.

9.3.4 Homeland

Personal connections

Pacific IERS had strong personal connections to their homeland (n=8) *“we have a very strong family connection – Samoans in general, we are very tight.”* They see the homeland family connection as important, although few spoke of extending this through to financial support of their homeland family (n=2), even though Poot (1993) argued that remittance to homeland kin still plays an important role in the island economies.

As one commentator tried to explain *“in the old days when Pacific islanders first came to New Zealand there was always the attitude – you come make a good living, then send money back to the Islands. Whether that still happens or not – I don’t know- but I do know that the links back to the Islands are still very important.”* A second commentator stated that New Zealand’s geographic proximity to the Pacific Islands and the traditional close relationships ensured that Pacific people maintain their strong connection back home. Elliott and Gray (2000) suggested that an increasing number of New Zealand-born Pacific people tended to have weaker or no links with their parent country and that they did not maintain kinship, family values and networks to the same extent as the island-born population. A commentator agreed that there was significant variance in the connectedness of second generation New Zealand-born, but argued that it does exist in all Pacific Peoples:

"it depends on the upbringing. If parents are quite strong culturally and they raise the kids where you still maintain the links back to the Islands, then yes it is still important to the offspring. At the end of the day they want to go back and visit anyway."

Pacific IERS had made regular visits to their homeland (n=8) "over the last ten years I have been over four times and Mum goes over every year," and some did speak of eventually returning to live in the Islands.

Business connections

Few business connections were identified in the case analysis (n=3), although many Pacific IERS had intentions of generating business connections in the future (n=7), as part of transacting their social obligation. They made comments such as "well, later on down the track I am going to do business in Samoa," and "the reason for my next visit is to look at a business opportunity." Commentators argued that a homeland business connection was contingent on business success in New Zealand, with one commentator stating that the trend is for successful Pacific IERS in New Zealand to replicate this success in their home country or to invest in other businesses.

9.4 Business Profile

9.4.1 Drivers

Financial versus personal

Financial considerations - specifically material rewards and security (n=5) - were business drivers for Pacific IERS. Gough (2006) argued this position from the collective culture stance, in stating that unlike the Western sense of individualistic 'improving their lot in life,' the Pacific Peoples' desire to improve their financial position was driven by collective rather than individual needs. Many Pacific IERS did, however, point out that personal wealth beyond financial security was not the driving force (n=4). In fact social acceptance through such factors as business reputation (n=4) and sustainability (n=5) rated highly in the case

analysis, as in "I guess for me to be successful, not money wise, but to be a successful person, a father, and integrate into society."

The Pacific IERS had a high need for autonomy (n=7) "being able to choose really, whether you want to work or not," and personal responsibility, "to create my own opportunities, be accountable to my self." As one commentator argued "many Pacific people are sick and tired of 'working for the man'." Pacific IERS had a high need for challenge and achievement (n=8) "I've always been after a challenge." The material wealth motive arose at this point with respect to their desire to be rewarded for their efforts. All-in-all these characteristics can be construed as being contrary to a collectivist cultural trait and low business confidence identified in the Pacific community (as discussed in the previous section). This would suggest Pacific IERS do not fully fit the Pacific Peoples' profile.

Gaining a quality lifestyle for themselves and their family was also identified as very important to Pacific IERS (n=7) with statements such as "it's about being able to create a lifestyle for our children and ourselves," and "so it was at that point I realised that if she [competitive swimming daughter] was going to be able to travel we needed to be self employed. And that's where it all kicked off really." They had a desire to contribute to their ethnic community (n=5) "I firmly believed that I had something to offer and could contribute to the community," and "yes, in terms of the ideology of giving and the sharing of knowledge, wealth and success," and believed in helping the extended family through creating jobs or other forms of business success (n=6) "probably the main reason really is just to help family out - some of our family didn't have jobs." These characteristics appeared consistent with Pacific Peoples' collective culture, and the argument is further supported by a commentator's reference to the family still being the main motivation for Pacific people getting into business, as they felt it was a means of discharging their social obligation.

External catalyst

The case analysis identified little evidence of 'forced' entrepreneurship, however, factors of disadvantage such as language, discrimination and employment dissatisfaction influenced

some levels of decision making among the IERs in this case analysis (n=5). A commentator argued for the perspective of necessity entrepreneurship (as opposed to forced) it suggesting that IERs felt that starting a business was the only means of earning enough money to discharge their expected social obligation: *"Like supporting the church more, looking after the family more, answering cousins when they call from the Islands ... They cannot support it by being a factory worker, so there is no other way to discharge social obligations."*

The international literature stated that socio-economic structures, such as available labour and access to capital, are a fertile background for entrepreneurial activities (e.g. Hiebert, 2003). For Pacific IERs the importance of social networks was highlighted as a major factor for their undertaking of entrepreneurial activity. Their social capital factors were the emotional, financial and labour support of family (n=7) *"my family [overseas] offered me some money, so when I came back we managed to buy a van and we started from there,"* and help and interaction with colleagues and friends (n=8). These factors strongly influenced the decisions of Pacific IERs to go into business. Non-family influences included forming partnerships with colleagues or acquaintances *"I started that off with my business partner,"* financial or resources assistance *"the general manager gave me the opportunity to actually start my own business while still working under the [IER's employer] umbrella."*

Pacific IERs (n=6) had an ability to seize opportunities when they were presented *"and the business fell over and there was an opportunity to buy into that business. It didn't cost me anything because it had been run right down to the ground and owed a lot of money."* In seizing opportunities there was often identification of niches within their community – ethnic or multi-cultural. As a commentator suggested *"they go about finding a niche in the market and knowing they have that certain area they then go into business."*

9.4.2 Learning

Academic

The case analysis identified that fewer Pacific IERs had completed any form of University or Polytechnic study than the other groups studied or the general New Zealand population – although their qualifications were significantly higher than the general Pacific population in New Zealand (Table A4). A commentator affirmed the importance of qualifications, in stating that Tongans and Samoans are probably the best in terms of leading the way for other Islanders in the business sense, in that, for example, Tongans have the greatest education and the most business people. Predominantly Pacific IERs had non-tertiary education, however, most (n=10) were involved with post-business formal education. This highlighted the awareness Pacific IERs had of the association between formal education and business capability.

Table A4: Pacific Immigrant Education
(Resident population aged 15 years and over, 2001)

		Pacific Peoples	New Zealand Population
Highest Qualification	University degree	3.2 percent	10.9 percent
	Vocational	10.8 percent	18.3 percent
	School quals	39.0 percent	35.7 percent
	None	29.3 percent	24.6 percent
	Not stated	17.7 percent	10.9 percent

Source: Statistics New Zealand. 2001 Census. Wellington.

Practical

The Pacific IERs had significant practical experience, coming from positions of being previously employed in the industry of their entrepreneurial activity or having some other in-depth industry knowledge (n=8). They saw this as vital to their success “with my connection I had built up in the timber industry I didn’t have any problems getting accounts with a number of small suppliers,” and often gave them a better understanding of the business environment “I don’t think the boss was the fairest person but I did definitely learn a lot – took a lot on board.” A commentator also confirmed that many Pacific people get into business in the area of their previous work experience.

Pacific IERs were unanimous in their view that there was a need for considerable ‘learning on the job’ once they engaged in self employment (n=10) “you make the wrong decisions -

I mean - just as long as you learn from it, that's the key." The perception of Pacific IERs was that practical experience was more important than education as a prerequisite for their entrepreneurial activity "I am more a street smart person than book smart," but they did rate formal education highly. A commentator reflected on the need for applied education in suggesting that they understood their trades well, but needed management skills to pay taxes and keep their books rather than academic qualifications. Another commentator summed up the position in saying "Pacific Islanders are practical people, very much hands-on, as opposed to being academically successful. However, you need both, you need the academic background to succeed, but you need practical sense as well." The Pacific IERs appearing in this case analysis were effectively managing both needs in that they had gained practical experience and were complementing it with education.

External support

In addressing the academic and practical needs of setting up and running their businesses, Pacific IERs generally used some form of professional or peer support. Accountants (n=8) were highlighted as the most prominent professionals, whilst other business professionals were also used (n=6), for example one IER stated "I have an executive coach." Spouse input and skills (n=6) was also rated highly: "If I didn't have her there just answering the phones and helping with the paperwork ... I don't think the business would be here if we didn't do this together." The case analysis did identify that the Pacific IERs (n=9) were inclined to talk with and seek advice from their peers - as in other business people and community members whom they respected - although commentators did suggest less successful Pacific IERs allowed pride to get in the way of asking for help or support. For example, a commentator said that the Samoan business people would "only as a last resort. Samoans are always too humble to ask for help even if they know their business is going under or failing. That is largely due to pride: 'No I'm fine, I'll get myself out of this crap.' They keep going and going until they find they can't go any further." Another commentator also suggested that the Pacific people have difficulty accessing appropriate advice before entering into business because of the lack of business networks in their community "They don't know any accountants or anyone who owns a business. So we are still trying to develop that connectedness. So those are the kind of barriers we need to work our way through - actually knowing the people who are in business or knowing something about

business.” Whilst the Pacific IERs in this case analysis have displayed an ability to overcome these issues, they do have a far reaching impact on the business capability for the broader Pacific community.

Role models

With respect to role models IERs Pacific IERs (n=10) spoke of being inspired by others. Parents rated highest as role models (n=6) as identified in comments such as “definitely my parents,” and “she [mother] always inspired us to be the best that we can be.... Yeah a very strong woman, and never settled for less. I guess I’ve got a lot of her in me.” Many Pacific IERs (n=6) saw themselves as role models for others in their ethnic community “Collectively become role models for each other,” and “So it is nice when people come up to me and say ‘You have done really well, can you come and talk to our group of women’ and I say yeah, sure, not a problem.” The Pacific IERs that did not view themselves as role models were often unknowingly a visible face in their community, as the comments of another IER epitomise: “I’m on the board of trustees for three charitable trusts for youth in West Auckland. I’m rebuilding a Christian camp in Rotorua and habitat for humanity building house for people who otherwise wouldn’t have a home. And so it keeps me humble.”

9.4.3 Finance

Financial practices

Pacific IERs identified the need to be responsible and organised with money matters (n=8) “I’ve never been good with money and all that, but at the end of the day money makes the world go around and you need to know where you are at with accounts and bits and pieces,” while in managing finances carefully another said “I don’t waste money.” Some Pacific IERs also noted that they believed that the careful management of finances needed to be in place from the start-up “to start right in terms of proper structure, financial records and processes set in place right from the very beginning,” while others referred to the pressure that could be placed on Pacific Peoples’ businesses with regard to the community pressure to discharge their social obligation (i.e. family, extended family, church and community).

Access to finance

Commentators raised managing capital needs as a significant issue for Pacific Peoples. Within the context of this case analysis the raising of capital often occurred in the form of personal or family money (n=7) *"I was lucky because my dad had faith and belief in me. My first business he loaned me the money and I'd just paid him back on the monthly basis," include overseas family, "I had time to go to the States and see my family there and they offer me some money. So when I came back we managed to buy a van and we started from there."* The overseas funding scenario was also identified by Duncan et al. (2004) who concluded that about a third of recent Pacific IERs used start-up capital that originated overseas, although this was not the case for the Pacific IERs in this case analysis. Three Pacific IERs argued that they needed minimal capital to start their venture, so financing wasn't an issue. Banks were generally not the first source of finance; in fact, four Pacific IERs discussed the difficulties they had with obtaining funding from banks and only three discussed actually establishing relationships with banks with regard to funding the start-up. When asked about the difficulties in obtaining capital a commentator, however, argued that this could often be a convenient excuse for not trying *"you hear that complaint a lot. But you can get any great idea off the ground with little capital if you have your thinking right. 'If I have nothing in the bank how do I start?' is the thinking needed. There are ways to access business – it's a mind set."*

Pacific IERs did identify financial pressures (n=3), profitability (n=3), and lack of capital (n=3) as major issues in establishing and growing their businesses. This was often compensated for through working long hours and support of family and community networks, although as mentioned previously discharging their community obligation could also create financial burdens if not managed carefully.

9.4.4 Characteristics

Business type

The case analysis identified a service industry dominance (n=10) and a predominance of 'one site' businesses, although no particular industry sector dominated. A commentator stated that Pacific IERs were highly active in the creative sectors such as graphic design and

communications, and they generally sought business opportunities where they could commercialise their personal skills. Another commentator suggested that they are very active in hands-on type businesses such as carpentry and engineering.

Business focus

There was a mix of ethnic market based and New Zealand market based businesses. One commentator stated that generally IER preferred to sell to their own community to test the waters and then expand into the broader New Zealand market. Duncan et al. (1997), however, warned of making any strong claims about any typical ethnic business focus in New Zealand because of the question of critical mass with respect to the size of the economy or the size of migrant groups. This is supported by a commentator's suggestion that business focus differs throughout the country. For example, Auckland IERs could focus initially on selling to their community, whereas a city like Christchurch has a small Pacific population and therefore IERs needed to focus on selling to a broader market immediately. Only three IERs identified any international focus for their businesses.

Business development

Pacific IERs began with small start-up businesses (n=10), with four having bought established businesses. A commentator concurred that starting small was the common approach for Pacific business owners. No emphasis was placed on discussing the problems associated with business start-ups beyond those already discussed - such as lack of skills. All Pacific IERs expressed a desire to grow their businesses, however, the case analysis did highlight the risk of social obligation and loss of focus as possible impediments to continuous growth. As one IER commented *"we seem to have a limitation. we seem to be able to grow to a certain size and then it all seems to unravel."*

9.4.5 Philosophy

The business philosophies of Pacific IERs drew few consistent themes. The most prominent related to relationship focus (n=5) as they spoke of the importance of their staff, customers and community, and a big picture perspective in that they believe that who they are and what they achieve is a product of their own efforts, contributions and decisions *"whether everybody believes it or not, I believe everybody makes choices and that where they are is*

the result of the choices that they make. So I believe in credit where it is due and people giving up and taking it on the chin if that's what needs to happen," and "but there you go, what goes around comes around." A commentator did suggest that Christchurch Pacific IERs seems to be more 'hard nosed' about business because of the market challenges they face, and that lessons could be learnt by all Pacific business people from this harder business attitude. This need to have a harder attitude in business was expanded upon by another commentator, who suggested it should also translate into a more pragmatic discharge of their family and community obligation. The commentator argued that currently this obligation can be a drain on business resources or alternatively the business people try to make excuses to avoid it, "I want to start a business. I know it is going to do really well, but I want to tell the family that it is half owned by another, so don't come asking me for any money because I am not in control of the business."

Honesty, integrity and fairness were highlighted by many Pacific IERs (n=7) as part of their business philosophy, "I mean my father, one of the things he always says is 'If a job is worth doing, it is worth doing well' and it doesn't matter what you do you've got to be able to get up in the morning and look at yourself in the mirror and like what you see." Respect and faith also rated as philosophical positions, while customer focus "I never focused on the money. I always focused on the service that I deliver to people," and word-of-mouth, "it's just through the grapevine that people have heard about us," were viewed as the cornerstone of their marketing practices.